



LA Fashion District Business Improvement District

2013 Activity Reports

First Quarter

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2013 OPERATING BUDGET SUMMARY

The total improvement plan budget for the 2013 Fashion District BID is \$4,182,370.

FINANCE

Annual Audit and Financial Statement

The LA Fashion District BID hires an accounting firm to conduct an annual audit. As a result of an RFP release late 2012, several accounting firms submitted proposals. The Finance Committee met on January 17, 2013. Based on proposals submitted by three Public Accounting firms they agreed to recommend hiring Gleicher, Tilley and Leonard LLC.

At their meeting on January 17, 2013, the BID Board of Directors voted to approve hiring Gleicher, Tilley and Leonard LLC to conduct the 2012 audit and financial statements.

The audit was conducted in March 2013 and the results were presented and approved by the Board of Directors at their meeting on March 21, 2013. A copy was forwarded to the City of Los Angeles Office of the City Clerk.

City Planning Report

The City Clerk's office had an issue with the original planning report approved by the Board in December 2012. Revised wording clarified that annual increases will be capped at 4% or less if the BID is successfully renewed, and, if not renewed unexpended funds will be returned to owners based on each parcels percentage contribution to the total year 2013 assessment.

At their meeting on February 21, 2013 the BID Board of Directors approved the revised 2013 City Planning Report.

Discrepancy Discovered in City Fund Transmittal

Jose Gonzalez, BID Finance Manager, discovered funds due by the City to the BID that were not received in 2012. The City missed forwarding to the BID a \$65,523.96 funds transmittal notice related to a 8/22/2012 county remittance, which accounts for the discrepancy. The large majority of these funds were for collections made in 2012 against the 2011 and prior years' outstanding assessments (45% of the total private outstanding assessments at 12/31/2011 were paid in 2012). We mailed an invoice to the City for the omitted funds remittance and will accrue the revenue in 2012.

We should note that this incident is not a frequent occurrence and we had expected the City (by itself) to remit the funds by the end of 2012.

Proposed 2013 Second Quarter Finance Activities

- Continue BID Renewal activities
- Prepare for Annual Property Owner meeting

PUBLIC SPACE MANAGEMENT ACTIVITIES

2013 Annual Budget

\$2,721,350

65% of the budget

This portion of the budget is allocated to all Clean & Safe Program Services.

PUBLIC SPACE SAFETY PROGRAMS

First Quarter Contact Summary

BID Safe Team officers conducted 3,953 **Citizen Assist** events during the 2013 1st Quarter. Welfare Checks decreased slightly from 823 during the 2012 1st Quarter to 811 during the current quarter.

Disorderly Conduct saw an increase in activity with 1,560 total incidents recorded compared to 1,106 incidents recorded in the 2012 1st Quarter. **Trespassing** and **Loitering** incidents also increased.

Illegal Vending totals increased compared to 1st Quarter 2012 records.

Unlawful Lodging increased significantly from 405 in the 1st Quarter 2012 to 1,164 recorded during the current quarter.

Robbery / Vandalism also increased with 67 incidents recorded in 1st Quarter 2012 compared with 300 incidents recorded during the current quarter.

LAPD Central Reports 2012 Crime Increase

The Operations Committee met on January 15, 2013. LAPD Central Division Captain Horace Frank attended and reported on the 6.2% increase in Part 1 Crime that is being attributed to early parolee releases enacted through AB109.

LAPD Central and Newton Captains Attend Operations Committee Meeting

The Committee met on March 19, 2013. Property owner Steve Needleman graciously hosted the meeting at his offices. LAPD Captain Frank, Central Division, and Captain Prokop, Newton Division attended along with Senior Lead Officers from both divisions.

Captain Frank and Captain Prokop thanked the BID's Safe Team for helping to reduce crime in the area during 2012. Captain Frank reported a significant reduction in crime since January 2013 making Central Division #3 in City-wide crime reduction. Captain Prokop reported an increase in crime in Newton Division and he is counting on the BID's participation to help reduce that number.

SLO Linton was commended for her outstanding work in the Flower District during Valentine's Day. Through door to door visits Linton was able to educate business owners about keeping sidewalks clear and encourage them to stow personal items away from customer service areas. Linton also reported on the apprehension of an illegal animal vendor who has a restraining order against his entry into the area. The vendor was bailed out of jail within hours of arrest. Linton will be increasing surveillance during Easter when baby rabbits and other animals are illegally sold.

Preparing for Valentine's Day in the Flower District

Illegal vending and illegal dumping in the Flower District historically increases during holidays. The BID Safe Team distributed information flyers to remind merchants they can be fined by the City of Los Angeles for illegal dumping. LAPD SLO Linton worked in advance to educate merchants about these issues and sidewalk obstruction ordinances.

BID Safe Team Aids In Arrest of Illegal Animal Vendor

On Saturday, February 23, 2012 the BID Safe Team spotted Juan Mena, a known illegal animal vendor with a stay-away order for the Fashion District. The team alerted LAPD SLO Linton and assisted in locating and arresting Mena, who tried to flee and hide from police.

Homeless Count on January 29, 2013

The LA Fashion District and neighboring Business Improvement Districts participated in the homeless count in February, 2013 the LA Fashion District BID participated in the recent downtown LA Homeless Survey. . Accurate surveys are necessary to help procure funding for continued care services. Data from those interviews was used to identify the area's chronically homeless. More than half of the people surveyed are considered chronically homeless. Some of the most extreme cases include a 57-year-old man who has been homeless for 30 years, and a 45-year-old woman who has been homeless for 30 years. One of the most significant findings showed that there were more emergency room visits than people; there were a total of 550 ER visits in the last three months according to survey-takers, and a total of 771 inpatient hospitalizations over the past year

Public Hearing for Market Grocery

The purpose of the hearing on March 7, 2013 was to obtain testimony of the property owners, merchants, and the public regarding the operation of the Market Grocery at 968 South San Pedro Street. Concerns have been expressed about alcohol sales at this location. The BID testified at the hearing.

Fashion District BID Safe Team and LAPD Clean Up Alley

The LA Fashion District BID worked with LAPD Newton Division Senior Lead Officers (SLO) Mark Hyland and Rick Madrigal, and a host of other LAPD officers in addressing the clean-up of an alley in the 800 block of San Pedro Street. In addition to the six large truck loads of trash and junk removed from the site, a parolee was taken into custody, prostitution and drug usage were stopped, and the remaining squatters were removed from several private property areas. The BID Clean Team was also able to remove dozens of graffiti tags. The Fashion District is very appreciative of LAPD Newton and their help in cleaning up this alley.

Proposed 2013 Second Quarter Public Safety Activities

- Continue education information for property owners on their responsibilities for discouraging illegal activities by tenants on their premises, and to comply with clean sidewalk codes.
- Continue to act as liaison to direct homeless populations to service organizations.
- Address illegal vending in the district.
- Continue BID Renewal activities.
- Prepare for Annual Property Owner Meeting.

PUBLIC SPACE CLEAN PROGRAMS

The Fashion District BID clean programs deal with improving the public environment by providing graffiti removal, sidewalk and alley cleaning, street trash removal, tree trimming, weeding and poster removal.

Tree Trimming in the LA Fashion District

LA Fashion District Business Improvement District (BID) contracted with Trimming Land Company to trim all 700 + trees within the boundaries of the LA Fashion District. Work began in January and took more than four months to complete.

New Pressure Washer for Clean Team

The LA Fashion District BID Clean Team has replaced their seven-year old pressure washer with a new smaller, more efficient unit. The smaller machine will make it easier to maneuver through the district. The pressure washer is used to clean the district's sidewalks and maintain the appearance of the Fashion District.

BID Removes Illegal Dumping at LAPD Central Station

We helped our partners at the Los Angeles Police Department (LAPD) Central Division with a street clean up in front of the station. Elmer Pacheco, BID Field Supervisor, and BID Clean Team Members Alex Conedy, Robert Delgado, William Alderette, Leonard Wilhite, and Vincent Magee clearly did a clean sweep of Central's perimeter as shown in the before and after photos. Captain Frank commended our Clean Team for a job well done!



Before



After

Graffiti Removal

2013 first quarter graffiti removal records show an increase compared to 2012.

| <u>Graffiti Removal – 1st Quarter</u> | 2013 | 2012 |
|---------------------------------------|-------------|-------------|
| January | 908 | 672 |
| February | 756 | 731 |
| March | 840 | 692 |
| Total | 2504 | 2095 |

Trash Tonnage

In the Fashion District, Trash Tonnage has always served as a leading economic indicator. For example, when Lehman Brothers filed for bankruptcy in 2008, trash tonnage in the district fell by 18%.

Trash tonnage increased 7.9% over last year's records. 53,543 trash bags were used during the first quarter.

| <u>Trash Tonnage– 1st Quarter</u> | 2013 | 2012 |
|--|-------------|-------------|
| January | 166.26 | 148.80 |
| February | 164.62 | 159.09 |
| March | 190.86 | 175.80 |
| Total | 521.74 | 483.60 |

Sidewalk Cleaning

4,481,630 square feet of district sidewalks were cleaned during the first quarter using scrubbing and pressure washing equipment.

Proposed 2013 Second Quarter Public Clean Activities

- Continue to work to educate property owners and merchants about appropriate trash collection procedures.
- Continue BID Renewal activities.

ADMINISTRATION, IMAGE & COMMUNICATIONS, SPECIAL PROJECTS ACTIVITY

2013 Annual Budget

\$594,400

15% of the Overall Budget

This portion of the annual Fashion District BID budget includes all Administration, Image & Communications, and Special Projects service programs. The remaining budget is allocated to City Fees, Depreciation, Uncollected Revenue, and the North and South Alley Overlays.

ADMINISTRATION PROGRAMS

GOVERNANCE

BID Renewal

The current BID term expires on December 31, 2013. Programs and services planned for the new BID term will remain the same as current. The petition drive must reach its 50% + 1 approval before March 2013 according to the renewal timeline from the City Clerk. A BID renewal strategy plan was discussed by Board Members at the January meeting.

Board Members agreed to move ahead with obtaining signatures on the current petitions and reach the 50%+\$1 goal to prove that owners support the BID.

At the Board meeting on February 21, 2013 Executive Director Kent Smith reported on the petition drive to reach 50%+\$1 of the proposed assessments. We have reached 38.75% to date. The deadline to complete the petition drive is March 1, 2013 in order to stay on track with the City Clerk's BID renewal timeline.

Tara Devine, Devine Strategies: Devine was hired to do outreach. She has extensive background working the public and private sectors and has recently helped successfully renew the South Park BID.

Property Owner Outreach: Board Members volunteered to call property owners to ask for their support and petition signatures to renew the BID.

Visitor Survey Results: To quantify general and special benefit of BID services, a visitor survey was conducted to determine public opinion of the LA Fashion District and the probability of return visits. 82% of respondents said that Clean & Safe services were very important to their impression of the district while 67% of respondents said Marketing was an important element of their decision to visit the district.

Fashion District Board of Directors Officer Election

Board Members elected the following Officers for 2013:

- Chair: Jorge Flores
- Vice Chair: Steve Hirsh
- Treasurer: Mark Cohen
- Secretary: Darlene Kuba

Board Member Hilda Jimenez will serve as a back-up check signer.

Outgoing Chair Jaime Lee was thanked for two years of service. Hilda Jimenez will serve as a check signer.

ADVOCACY

AB5 – Homeless Person's Bill of Rights and Fairness Act

AB 5 was introduced Assemblymember Tom Ammiano to give anyone the right to camp on the street and urinate and defecate in public and severely limit businesses ability to limit access to their property. The California Downtown Association and BIDs are opposing the bill.

On January 17, 2013 the BID Board of Directors voted unanimously to oppose the enactment of Assembly Bill 5, Homeless Person's Bill of Rights and Fairness Act, that will allow homeless individuals to die on the streets.

On January 22, 2013 we sent a letter to the author of the bill. We were invited to submit a letter by Council District 14 whose staff met with the Assemblyman on this and other issues. In the letter we requested withdrawal of this flawed bill and the redirection of attention and funding to housing the homeless with access to wrap around services that improve their quality of life and that of the community. The letter is included as Attachment 2.

In March 2013 Councilmen Parks and Englander forwarded a resolution opposing the Homeless Bill of Rights to the City Council for approval.

Specific Plan Update

We met with Gaurav Srivistava, AECOM project manager of the Fashion Your District Specific Plan to get an update on the project. The Specific Plan, which is 80% complete, was put on hold when the Community Redevelopment Agencies (CRA) were terminated by the State of California. The Fashion District Specific Plan will create a blueprint for growth in the district in the coming years and includes an accompanying EIR to address zoning issues. There remains a chance that the Fashion District plan and EIR will be funded. Former CRA staff would continue project oversight and work could begin in July 2013. We will monitor progress and announce when community outreach work will start again.

Franchise Trash System EIR

This is a city-wide issue and the Board of Directors agreed to comment during the Public Scoping Process for the EIR regarding the City-Wide Exclusive Franchise System for Municipal Solid Waste Collection and Handling. The City has already made a decision to implement the new system. The EIR explores the potential negative impacts. The Board seeks to make clear that businesses and residents in the BID boundaries create a unique environment of different needs that must be recognized. The letter is included as Attachment 3.

May 1 Special Event Possible Street Closures

Event coordinators have filed for a special event permit for the Full Rights for Immigrants March and Rally on Wednesday May 1, 2013. If the permit is granted marchers will convene at the intersection of Olympic and Broadway. The proposed route is Broadway north to Temple. We will track and report on this possible event in future editions of "What's New".

Olympic & Broadway has been the traditional meeting place for these rallies in the past as there was a City owned vacant parcel on the southeast corner. That parcel has since been sold and is now in private hands. There is no place aside from the sidewalks to stage the protest and Olympic is a major gateway to the LA Fashion District and Santee Alley which ironically employs and serves the community the rally is seeking to represent.

We contacted Council District 14 staff to register our concerns and requested a meeting with the leaders to make them aware of our concerns. Anything we can do to keep Olympic clear for pedestrian and vehicle traffic would be critical for our merchants and very much appreciated.

Operation Healthy Streets Street and Sidewalk Cleaning:::January to March 2013

To protect public health and safety, the City of Los Angeles Department of Public Works will continue implementing OPERATION HEALTHY STREETS, a street and sidewalk cleaning schedule for the Skid Row neighborhood. Several of the streets designated for cleanup are in the LA Fashion District or close to the 7th Street boundary of the district.

Clean Water Clean Beaches Parcel Tax

The LA County Flood Control District (LACFCD) is proposing a property related fee to be imposed on all parcels in the LACFCD to address water quality issues in storm water runoff going into the Pacific Ocean. While storm water pollution must be addressed the parcel fee raises many significant concerns for property owners.

1. There is no plan in place to spend the approximately \$275 million raised annually by the fee;
2. The assessment methodology places most of the burden on commercial properties; condo fees will be \$20 or less while commercial properties will pay much more;
3. fees would be the same for every parcel regardless of what municipality they are located in... the City of Los Angeles has already spent many millions of dollars on this issue, yet fees would not be lowered to take this into account; and
4. fees have already been imposed by DWP to address some of the same issues this fee would also cover so there is a risk of fee duplication for Los Angeles property owners;

Property owners were asked to register their objections to the proposed fee by January 15, 2013 when the County Board of Supervisors will consider putting this measure on a ballot to be mailed out to property owners in the spring. The Fashion District BID is working with CCA and will be recommending that the ballot measure be delayed until the above issues can be addressed. The County Board of Supervisors agreed to delay this ballot measure.

Ask the Mayoral Candidates

On March 2, 2013 Apparel News published Industry Voices: LA Mayors Race and Fashion Industry Issues. They asked several prominent members of the Los Angeles apparel and retail community what questions they would like to ask the candidates in next week's mayoral primary. The questions asked ranged from jobs and energy rates to immigration reform and incentives for Made in LA products. To date, City Controller Wendy Greuel, City Council Member Jan Perry and former U.S. Attorney and Kevin James responded. BID ED Kent Smith had the opportunity to ask some of the questions. See Attachment 4 for excerpts of the Apparel News story.

Fashion District BID Meets with KAMA

On Tuesday, January 22, 2013 Fashion District BID Executive Director Kent Smith, and former Board Member Barry Gold, met with the president, vice president, executive director, and the chairman of the Korean Apparel Manufacturers Association (KAMA), to discuss future partnerships between KAMA and the Fashion District.

On February 13th, BID Vice Chair Steve Hirsh, Board Member Brad Luster, and BID staff met with KAMA President Steve Lee and Executive Director Jeanie Yang, to talk about hosting a special event in the district. We met again on March 27, 2013.

ECONOMIC DEVELOPMENT

Broadway Dress Rehearsal

Council District 14 and the Mayor's Office are launching a phased implementation plan of the Broadway streetscape plan for Broadway between 1st Street and Olympic Blvd. Tentative installation of seating and plantings is scheduled for May 2013. BIDs are being asked to maintain the space. We met with the Bringing Back Broadway organizers and neighboring BIDs to discuss the project. The BIDs agreed they want to make this "dress rehearsal" a success by doing some pre-planning we want to avoid problems that have arisen elsewhere. The flyer is attached.

We asked that these issues be addressed as soon as possible:

1. We should be sensitive to locations where construction is occurring (like the Ace Hotel) and consider phasing implementation in these locations.
2. There were 77 Film LA permits pulled in 2.5 blocks of Broadway in 2012. Film LA had serious concerns about the paint used on the Spring Street bike lane.
We should endeavor to bring them in to review final designs for the pavement treatment and the bollard locations.
3. We want to ensure that the pavement treatment proposed will allow us to clean the surface with pressure washers and scrubbers. We already have challenges with some crosswalk surfaces used by the City.
4. DOT had no construction management capabilities during the installation of the 9th & Spring median. The contractor totally ignored the design spec and drawings with minimal consequences. The installation of the Spring Street bike lane has also been problematic. IF the BIDs are going to maintain these spaces, we must have some approvals of the design and a final inspection/handover if this is to be successful.
5. We have serious concerns about the language of the MOU which makes BIDs liable for anything that happens in these spaces which the City is currently liable for.
6. We will not assume any more liability than we already have for cleaning the sidewalks.
7. There are ADA issues and "slip and fall" hazards which need to be carefully handled in the design of these spaces. The difference in elevation between the sidewalk and the street needs to be addressed and storm drain locations are also potential hazards for people using these spaces. Broadway is not a level street and slopes near the curb could be potentially hazardous to the elderly and young children. Again the BIDs will not assume any liability for these issues as the current MOU requires us to do.

8. We need to work on a model of BIDs doing cleaning and others (perhaps adjacent tenants) taking responsibility for tables and chairs. This will require some thought as the best solution may be to have the tenant responsible for keeping the space clean while the chairs and tables are out and the BIDs taking on the responsibility for other times. Storage may be a challenge in some locations on Broadway. Every effort should be made to locate these spaces where storage is nearby.
9. The requirement to keep the spaces "open" from 7:00am to 10:00pm will be problematic if there is insufficient light for the spaces. The location of these spaces has to be carefully planned to take advantage of existing lighting as adding lighting will be difficult.
10. Another design issue that must be resolved is public safety. We already have had vehicles careen into public spaces (Santa Monica Farmers Market, Pattern Bar) Bollards have to be strong enough to stop vehicles from entering these pedestrian spaces. The BIDs will assume no liability in these situations.
11. The use of current public spaces for illegal vending, the storing of possessions and encampments is already a regular occurrence in downtown LA. By making the spaces public as set out in the MOU, the BIDs will have no control over the use of these spaces. LAPD and Street Services do not have the resources for enforcement and court settlements now allow encampments and the storage of personal possessions on public property. In regard to illegal vending the current ordinance does not allow vending on the sidewalk but is silent on vending in the street. The mobile food vending industry has successfully challenged the City's rules for street vending.

The solution we would recommend is treating these spaces like outdoor dining areas with revocable permits and fees charged so that the use of the space can be controlled and an entity can be held accountable for managing the space. Restaurants and other merchants could apply for permits for spaces adjacent to their premises. We also suggested that Film LA should be brought in before plans are finalized. Downtown Center BID attorneys reviewed the proposed maintenance contract. A revised document was forwarded to Council District 14 for comments.

Façade Lighting Grants To Be Awarded As Part of Councilmember Huizar's Bringing Back Broadway

Councilmember José Huizar announced that approximately \$750,000 in architectural façade lighting grants will be made available to Broadway property owners as part of his Bringing Back Broadway initiative, a 10-year plan to revitalize the historic Broadway corridor. The Los Angeles Neighborhood Initiative (LANI) has been awarded a contract by the City of Los Angeles to manage the grant process, which will pay for the design, permitting and construction of architectural façade lighting improvements on up to 10 buildings along Downtown Broadway between 2nd & Olympic within the national register historic district.

There will be no cost to property owners for the application or for the improvements. Selection priority will be given to property owners who are actively investing or have invested in the revitalization of their buildings, and/or who provide matching funds for in-kind improvements to their building during the grant construction period. Selection priority will also be given to historic buildings. Participation in design meetings and maintenance of the final improvements will be required of selected grantees. Applications were available after March 11, 2013.

Streetcar Operations Funding Secured

The City Council's Transportation committee discussed the operational funding for the LA Streetcar project at their meeting on Wednesday, February 13, 2012. The City must secure operating funds for the streetcar before the project proceeds to construction. DOT proposes to use \$228.2 million of Measure R funds (passed by voters a couple of years ago) from 2017 to 2039.

The BID attended this meeting to ascertain where DOT will find the remaining seven years of funding to make up the 30 years that property owners will be paying the parcel tax for the streetcar project. This is an important first step in securing operating funds for the streetcar which we support but we want to ensure that Council commits to a funding this project for 30 years.

On March 6, 2013 the Los Angeles City Council approved a 30-year operational plan today for the proposed Downtown Los Angeles Streetcar. The plan identifies and commits funds, which could total \$294 million from non-general fund resources over three decades, to cover ongoing streetcar operations and maintenance of the proposed Downtown L.A. Streetcar system.

LA Broadens Allowable Uses in Light Industrial Zones

Not every space in the LA Fashion District is a showroom or shop. The City's Zoning Administrator and Councilmember Jose Huizar are working to make the City's light industrial zones more flexible. On December 20, 2012, the City's Zoning Administrator released a new interpretation which broadens the allowable uses in the City's light industrial zones.

The interpretation accommodates the shift in industrial land-uses from traditional industrial activities to uses such as those involving record management, research and development, information processing, electronic technology, and internet/catalog sales offices. Watch for more on the City's work to adopt an Industrial Adaptive Re-use Ordinance.

Made In L.A.

Mayor Antonio Villaraigosa's Office of Economic and Business Policy has formed a first-of-its-kind public-private partnership with Tradegood. By sharing and leveraging the resources, this new collaboration will help promote L.A. apparel manufacturers and suppliers to local and global buyers. They are now seeking qualified manufacturers in the Los Angeles area for enrollment in an online platform that connects manufacturers with trusted buyers domestically and internationally.

Some of the benefits from this program are:

1. Generate exposure for your business and identify opportunities with wholesale and retail buyers in over 100 countries.
2. Streamline communications with potential buyers via direct contact features.
3. Screen buyers to increase potential of meaningful transactions with Tradegood's profile verification process.
4. Customized matching services to connect qualified L.A. manufacturers with U.S. and International Buyers.
5. Expand the city's role as a leader in fashion – from design to production.

City Market Scoping Meeting and Support from BID Board of Directors

The scoping meeting for City Market development project took place on Monday, March 4, 2013. Scoping meetings are open public meetings where people attend and point out issues they want to ensure are considered in the environmental review. The Board of Directors of the LA Fashion District Business Improvement District (BID) unanimously endorsed support for the City Market of Los Angeles' proposal to construct a multi-use development project at 9th at San Pedro Streets at their meeting on December 13, 2012. We submitted a letter of support to the City Planning Department and Downtown LA Neighborhood Council.

The City Market of Los Angeles is embarking on an ambitious plan to completely transform a 10-acre site, bounded by San Pedro/9th/12th/San Julian Streets in the Fashion District. The site which formerly housed one of the city's major produce distribution centers has deteriorated over the last decade and has become an impediment to the revitalization of the LA Fashion District.

The proposed uses are compatible with the current property use in the district. The City Market development will provide an eastern "anchor" property much like the California Market Center (CMC) serves on the west side of the district. Both properties' contributions of secondary schools, office space, and retail space will create a synergy in the district for more development that will further increase the future economic vitality of the LA Fashion District. The additional residential units will help solidify the neighborhood and provide an additional market for the Santee Alley retail area.

The City Market's new 3.3 million square foot development will be a multi-phase, long-term reinvestment that honors the land's tradition by creating a dynamic, creative environment where students and professionals can advance in the arts, fashion and design, while living, working, shopping, and enjoying a unique and vibrant neighborhood.

Upon completion, this catalytic project will include a mix of uses that will support and enhance the unique character and creative energy of the Fashion District and Downtown, such as: a major educational institution; a 210-room hotel; 945 housing units; commercial office space; and retail space. These uses will reinforce the Fashion District as a globally recognized destination for buyers and visitors from around the world.

Anjac to Redevelop Singer Building

Anjac Fashion Buildings, one of the Los Angeles Fashion District's prominent property developers and pioneers, is planning to redevelop a building just a few storefronts up from its ornate The Orpheum Theatre and The Wurlitzer showroom building.

Geoff Palmer Planning Two Huge Buildings for Broadway

Developer Geoff Palmer is planning to develop two large buildings on Broadway near Olympic Blvd., one of them being a 439-unit apartment building. The two structures will be connected via pedestrian bridge.

Metro Charter is Approved

The Los Angeles Unified School Board approved Metro Charter's petition which will pave the way for an elementary school to open Downtown by the fall. According to Simon Ha, the president of Metro Charter Elementary School Board, the next steps will include enrolling students, finding a facility, hiring a principal and raising money. The school represents another link in the effort to create a family friendly downtown. The LA Fashion District BID Board of Directors supported this important new project.

Proposed 2013 Second Quarter Administration/Advocacy/Economic Development Activities

- Continue to advocate for the Fashion District BID.
- Continue BID Renewal activities.
- Prepare for Annual Property Owner Meeting.

IMAGE AND COMMUNICATIONS

The LA Fashion District BID Image & Communications programs are developed to create a positive image for the District based on the positive changes that take place. Programs are designed to attract new investors and customers to the District as well as attract City investment to the District.

BIDLINES Newsletter

The 2013 1st Quarter Winter-Spring newsletter will be mailed to all owners in the district in April 2013. A copy is included as Attachment 5.

Map Guide

Work continues on a new map guide for printing and distribution to hotel concierge desks and chambers of commerce.

Business Survey

This project is 80% complete and the data is already being uploaded to the website's searchable directory.

Lines Directory

Summer 2013 Market Week took place January 14 -17, 2013. With five Market Weeks every year the LA Fashion District attracts thousands of wholesale buyers from across the country to buy apparel for their stores and boutiques.

The BID is helping business by updating the website at www.fashiondistrict.org with new searchable wholesale Lines Directories before each Market Week. We work in partnership with The New Mart, CMC, Cooper, Gerry, D&A, and recently added Lady Liberty Building and Academy Awards Showroom, to bring wholesale buyers recent changes in showrooms and apparel lines.

We recently added a new search function to the lines directory that allows buyers to search by a specific line name that displays the building name and showroom suite/phone number where the line is available.

The BID website also features the various areas of the district, parking information, restaurants, and other amenities on the District-Wide Searchable Directory to welcome buyers to the LA Fashion District.

LA Market Week Report

LA Fashion Market Week took place March 11-14, 2013. The California Market Center reported a successful turnout for its showrooms and both of its tradeshows, SELECT Contemporary Tradeshows and TRANSIT Footwear & Accessories Show. CMC Tenants reported many new accounts and buyers from prominent national retailers such as Zappos, Dillard's, and Barneys. There was also a significant presence of international retailers shopping at the CMC this Market from countries including Japan, France, Chile, Turkey, Hong Kong, Nicaragua, Mexico, Columbia and Canada.

The New Mart, which hosted the Designers & Agents Show, reported over 600 registered buyers in the first two days of Market. Over at the Cooper Design Space, COEUR Tradeshows also reported a successful Market Week. The next LA Market Week will be June 10-13 for Fall II/Holiday 2013.

Social Media Year End Report

In 2012 we....

- Gained **13,471** Facebook followers
- Gained **1,484** Twitter Followers
- Had **67,539** blog views and 54 new blog subscribers
- Grew our Instagram account by over 1,000
- Got on board with Pinterest!

Fashion District's First Social Media Holiday Campaigns

The LA Fashion District conducted its first social media giveaways this holiday season. We are happy to report a successful completion of both the Santee Santa Sweepstakes on the [Santee Alley Facebook](#) page and the #LAFDwishlist Giveaway on the [LA Fashion District's Twitter](#) page.

We were very excited to find business owners in the district willing to participate in the sweepstakes, providing gifts cards and store credit for the \$200 shopping spree. Participating stores include Styles LA at 1042 S. Santee, Madera Fashion at 1040 S. Santee, Glitter Fashion at 1053 Maple Ave., and I Heart Shoes at 1141 Maple Ave. and a \$25 gift card from women's shoe boutique, "eclater" located at 1100 Wall St. Suite 304A. The sweepstakes was so successful we may do it again for Valentine's Day.

LA Fashion District Facilitates Financing for Fashion District Business

A wholesale showroom was the first to secure a loan through the Fashion District's Capital Connections program! Capital Connections offers financing to businesses who would normally not qualify through a regular bank program and offers micro-loans starting at \$1,000. The Fashion District is working with Valley Economic Development Center (VEDC) to provide the loans.

PUBLICITY

Valentine's Day Press

LA Fashion District BID put out a press release announcing the LA Flower District's extended hours for Valentine's Day. We're very excited to announce we have already secured media hits from [Blogdowntown.com](#), [Racked LA](#), CBS KCAL 9, Fox 11, KTVN 2, KTLA 5, and ABC 7.

Santee Alley Press from Univision

As part of the Fashion District BID's publicity efforts, we've been working with Univision to facilitate the filming of their popular segment "A la moda con Jomari" in the Santee Alley. Our relationship with Univision allows us to bring the exposure to the Alley among the Los Angeles Spanish-speaking audience.

Website Activity

Social Media activity records are being tracked from January 2011. We added Instagram and Pinterest to our social media tools and will track those visits starting February, 2012. Instagram allows us to post photos of the LA Fashion District that visitors can Like and Share. Pinterest is a pinboard-style social photo sharing website that allows users to create and manage theme-based image collections. Like Instagram, users can share their photos with other Pinterest users or through other social media channels.

| |
|--|
| 2013 First Quarter Media Impression, Website Hit, Website Visitor, Social Media Activity |
|--|

| | | |
|--|-------------|-----------------------|
| <u>Website Hits</u> | 2013 | 2012 |
| January | | 1,273,453 |
| February | | 1,356,694 |
| March | | 1,575,764 |
| Totals | * | 4,205,911 |
| <u>Website Visitors</u> | 2013 | 2012 |
| January | | 46,624 |
| February | | 49,409 |
| March | | 57,347 |
| Totals | * | 153,380 |
| <u>Media Impressions</u> | 2013 | 2012 |
| January | | 30,857,666 |
| February | | 59,430,521 |
| March | | 29,909,145 |
| Totals | * | 120,197,332 |
| <u>Free Advertising Dollars</u> | | |
| <u>Leveraged</u> | 2013 | 2012 |
| January | | \$272,695 |
| February | | \$238,175 |
| March | | \$319,338 |
| Totals | * | \$830,208 |
| <u>Social Media – 1st Quarter Totals</u> | 2013 | 2012 |
| Facebook | | |
| o New Likes | 4328 | 3345 |
| Twitter | | |
| o New Followers | 511 | 410 |
| Blog | | |
| o Page Views | 22,320 | 13,570 |
| Instagram | | |
| o New Followers | 418 | (launched Feb 2012) |
| Pinterest | | |
| o New Followers | 228 | (launched April 2012) |

- To be submitted upon completion.

Proposed 2013 Second Quarter Image & Communications Activities

- Continue to refine social media features
- Mail Winter 2013 Newsletter
- Conduct business survey
- Continue BID Renewal activities
- Prepare for Annual Property Owner Meeting

SPECIAL PROJECTS

2013 Call for Projects

We worked in partnership with the Bureau of Engineering to resubmit an application for a \$1.9 million streetscape improvement project to the Metropolitan Transit Authority for Phase 3 that will encompass Pico to San Pedro to Washington Blvd. Award announcements are expected in July 2013.

Mobile App Update

The free Smartphone app for Apple format went live in February 2013. The Android app is nearly complete. The primary app feature is parking assistance to locate the nearly 100 parking lots in the district including surface, roof top, underground and public lots. Some of the other features include a locator for finding your car, link to the Fashion District website, finding businesses within a defined radius of a viewer's location, and Google maps to businesses in the district. We are preparing launch communications.

Proposed 2013 Second Quarter Special Projects Activities

- Continue to work toward launch of Parking Apps.

Attachment 2



January 22, 2013

Assemblyman Tom Ammiano
State of California
State Capitol Office
P.O. Box 942849
Sacramento, CA 94249

SUBJECT: Opposition to AB5 Homeless Person's Bill of Rights and Fairness Act

Dear Assemblyman Ammiano:

At their meeting on January 17, 2013, the Board of Directors of the LA Fashion District Business Improvement District (BID) voted unanimously to oppose AB5 Homeless Person's Bill of Rights introduced on December 3, 2012.

The LA Fashion District BID's 980 property owners pay for clean and safe services over and above the services provided by the city. The clean environment helps allow over 3,000 businesses in the district to thrive. AB5 would prevent the normal conduct of business by allowing homeless individuals full and equal access to all business establishments, unrestricted access to public services, to engage in activities including the right to urinate in public, and other behaviors that create an unsafe environment for residents, employees, and visitors.

Homeless individuals like every other person living in Los Angeles already have all the protections offered by the US and California Constitutions to protect their civil liberties.

AB5 would encourage homeless individuals to continue living on the streets instead of encouraging them to secure permanent supportive housing to address their needs. Basically it would allow them to die on the streets.

The LA Fashion District BID has been working on the United Way/LA Chamber of Commerce Home for Good Task Force for the last three years on a plan to end chronic homelessness in LA County by 2016. The plan and the progress to date can be found on www.homeforgoodla.org. The project is supported by Mayor Villaraigosa, the County Board of Supervisors, and scores of organizations that are all working together to develop permanent housing for chronically homeless individuals – the kind of people who you find sleeping in your storefronts every day. The program is working.

We request withdrawal of this flawed bill. Please redirect attention and funding to housing the homeless with access to wrap around services that improve their quality of life and that of the community.

Sincerely,
Kent Smith, Executive Director

110 E. 9th Street Suite A 1175 Los Angeles CA 90079 p (213) 488-1153 f (213) 488-5159 www.fashiondistrict.org

Attachment 3

Mayoral Candidate Interview EXCERPTS From Apparel News...

Wendy Gruel LA City Controller wendygreuel.org

3. The LA Fashion District has huge infrastructure needs from sidewalk repairs and replacements, enhanced pedestrian environment and lighting, to connected transit. What can the City do to help? (KENT SMITH, EXECUTIVE DIRECTOR, LA FASHION DISTRICT BID)

As Mayor, I will focus on building an infrastructure for job growth. That means making sure that we use proven programs like my 50/50 program for sidewalk repair and working with communities and businesses to make our streets safer to promote our local businesses. I will lead our efforts to invest in transportation and infrastructure, and ensure the competitiveness of our airports and port.

I recognize the importance of public transportation to connect the creative industries in Los Angeles. Fashion tends to live downtown. Technology is on the Westside. Entertainment is in and near Hollywood. These industries need to be connected by a world-class transportation system to grow and facilitate a more connected city.

Improving transportation has a cost, but so does congestion. Congestion is a high cost we all pay—in time not spent with our families, in increased shipping costs for business, in work hours lost, and higher medical bills for asthma and other diseases caused by pollution. Throughout my career, I have worked to reduce congestion through practical initiatives such as a ban on all street construction during rush hour; anti-gridlock zones, which double fines for parking in restricted zones during rush hour; synchronizing 75 percent of all traffic lights across the city; and successfully lobbying Sacramento for funds to complete the construction of the I-405 carpool lane.

We need more public transportation and increased quality bus service and I will continue to work with Metro and our Federal and state government partners, along with the private sector to leverage local funds and expedite project delivery. Regarding our existing city street network, I am committed to maintaining a state of good repair at a time when more than one quarter of our streets are in failing condition.

As the next Mayor of Los Angeles, I will recognize the nexus between our transportation investments and job growth, investing in transit-oriented development to spur job creation.

Kevin James Former Assistant U.S. Attorney and Talk Show Host kevinjamesformayor.com

3. The LA Fashion District has huge infrastructure needs from sidewalk repairs and replacements, enhanced pedestrian environment and lighting, to connected transit. What can the City do to help? (KENT SMITH, EXECUTIVE DIRECTOR, LA FASHION DISTRICT BID)

Well, it can do the repairs and replacements. We have a lot of crises in the city of Los Angeles, what Kent is talking about is the infrastructure crisis. The reason we have this infrastructure crisis in downtown, and in a number of other places, is because my opponents, in order to pay the salary raises that they promised our city employees and the Public Sector Union in 2007 (25 percent over ensuing few years that we still have 5.25 percent left to pay), they have raided what are known as the special revenue funds—that includes the money to fix roads. That includes the money to fix water mains, so we don't have sinkholes. That includes the street furniture fund for sidewalk repairs. They've raided those funds to the tune of hundreds of millions of dollars. I have said—and I will repeat—that as Mayor, if it takes the declaration of a fiscal emergency, I will freeze those raises. We can't pay the raises. It's \$167 million immediately out of the deficit that we're going to be facing by freezing the raises. We're going to have to bring our city unions to the negotiating table to make up the rest of the money and to replenish these funds.

I'm asking our city employees to reinvest in the city by foregoing these upcoming raises. Because I have to be able to rebuild a healthy private sector. It is only through healthy private sector and healthy industry and healthy manufacturing, that we can obtain all of the revenues we need through sales tax revenue; utility use tax revenue; parking users tax; parking fees and fines; documentary tax revenues; property tax revenues; you name it. All of that comes from the private sector. I've got to be able to rebuild it in Los Angeles. To do so, it's going to take an investment on the part of our city employees.

I will not do what they've tried to do. They've tried to put sidewalk repair on the backs of homeowners and business owners. I recognize there may be some business owners and home owners that want to accelerate the sidewalk repairs. As Mayor, [I will] streamline the permitting process to they can do so. Some of them have even said they will pay for it themselves. If that's the case, we'll do a 50/50 plan with them. But for those that can't afford it, fine. I'm not going to put the obligation on them. It's the city's obligation. But to do so, we've got to replenish those funds.

Jan Perry 9th District City Council Member Jan Perry ianperry.com

3. The LA Fashion District has huge infrastructure needs from sidewalk repairs and replacements, enhanced pedestrian environment and lighting, to connected transit. What can the City do to help? (KENT SMITH, EXECUTIVE DIRECTOR, LA FASHION DISTRICT BID)

I have had the pleasure of working with the Fashion District BID to deliver infrastructure improvements to the Fashion District. I supported the development of a Fashion District Specific Plan, which will encourage future development. Future development coupled with good design guidelines will upgrade the Fashion District's infrastructure.



March 27, 2013

Daniel K. Meyers, Assistant Division Manager
City of Los Angeles, Department of Public Works
Bureau of Sanitation
Solid Resources Citywide Recycling Division
1149 S. Broadway, 5th Floor, MS #944
Los Angeles, CA 90015-2213
San.franchisecomments@lacity.org

SUBJECT: Comments related to the Public Scoping Process for the EIR regarding the City-Wide Exclusive Franchise System for Municipal Solid Waste Collection and Handling from the LA Fashion District Business Improvement District (BID)

Dear Mr. Meyers:

On behalf of the Board of Directors of the LA Fashion District Business Improvement District (BID) we are writing to comment during the Public Scoping Process for the EIR regarding the City-Wide Exclusive Franchise System for Municipal Solid Waste Collection and Handling.

The LA Fashion District BID delivers Clean services to the business community over and above what is provided by City services. Over 40% of the annual BID budget is directed toward Clean services – approximately \$ 1.5 million per year. The funding comes from property owners who pay for these extra services through a special assessment. We pick up 5.3 tons of trash a day from streets and sidewalks, a lot of which is a result of illegal dumping, and empty the 250 adopt-a-baskets that we service in the district. The BID employs 32 contract workers to sweep miles of sidewalks and gutters twice a day in the 100 block district. We drive the district 3-4 times a day to pick up loaded bags of trash. In 2012 we picked up 579,000 bags of trash using 3 collection trucks that can navigate the narrow streets. We visit the city transfer station 3 times a day. On weekends we store the trash in roll offs located in a parking lot that the BID pays to use. On Monday mornings the trash is hauled to the waste collection facility. It is a 24 hour a day/7 day a week process.

The BID's Clean services are very important to Fashion District visitors – 82% of pedestrians said the District's cleanliness was a very important reason in their decision to patronize the Fashion District. The negative impact of a dirty public environment would be devastating to the business and residential community. We want to continue to deliver BID Clean services to our owners and residents and at the same time find a way to collaborate with the City of Los Angeles on this proposed ordinance.

1 Our experience has been that as trash fees increase so does illegal dumping. Only the BIDs are there to pick up this trash. Illegal dumping is a major issue in the LA Fashion District and becomes a city wide problem when items jam the storm drains, attract rats and maggots, and ultimately pollute the Santa Monica Bay. Items dumped from offenders inside and outside the district range from food to copy machines, to construction materials. *We believe the exclusive franchise system may have the unintended impact of increasing illegal dumping in the Fashion District.*

2 It is not clear if BIDs will be allowed to continue to pick up trash from district streets. The LA Fashion District BID has existed since 1996 because property owners know that the City cannot pick up trash on a daily basis. The owners are willing to pay through a special assessment for services over and above what the city is capable of delivering. However, the BID must be allowed to continue to pick up trash and deliver it to collection sites. *The exclusive franchise system may not allow BIDs to perform this service which is the foundation for economic development in the Fashion District.*

3 Most of the streets and alleys in the LA Fashion District are very narrow. The BID uses smaller equipment to navigate the district to collect trash from litter cans and illegal dumping. We suggest that this issue be considered when selecting haulers. *The exclusive franchise system may not have the choice in equipment that currently exists with many haulers service the Fashion District.*

4 The LA Fashion District is a mixed use business and residential community with different needs in terms of noise and time of day when trash can be collected. Currently waste is collected at different times of day and night that were developed as a response to those different needs. *The exclusive franchise system may not have the ability to provide flexible collection times that suit the specific needs of our many residents and business owners.*

5 The LA Fashion District has specialized vendors that require specific types of pick-up service. The Flower District generates tons of cut flower trash daily. Cutters generate tons of fabric cuttings and plastic garment bags are used on every individual garment that is delivered to stores. Each of these requires special pick up containers. *The exclusive franchise system may not have the same choice of recycling containers as the current system*

We are immediately available to discuss our concerns. Thank you for your consideration.

Sincerely,

Kent Smith, Executive Director
LA Fashion District BID
(213) 488-1153 x 712
kent@fashiondistrict.org

cc: Councilmember Jose Huizar, District 14
Board of Directors, LA Fashion District BID

LA FASHION DISTRICT BID
Summary of Un-Audited Financial Information
For the 3 Months Ending on March 31, 2013

| | YTD Actual ¹ |
|---|-------------------------|
| ASSETS | |
| Total Current Assets | \$ 3,215,350 |
| Net Property and Equipment | 99,276 |
| Total Assets | <u>3,314,625</u> |
| LIABILITIES AND NET ASSETS | |
| Current Liabilities | 1,417,365 |
| Retained Earnings | 1,944,135 |
| Net Revenue / (Loss) YTD | (46,875) |
| Total Liabilities and Net Assets | <u>\$ 3,314,625</u> |
| | |
| | YTD Actual ¹ |
| BID REVENUES | |
| Assessments - Current Year | \$ 785,427 |
| Assessments - Collection of Prior Years' Unpaid | 4,739 |
| Assessments - Penalties, Interest | 2,051 |
| Other Revenue ² | 31,113 |
| BID Revenues (current year) Sub-Total | <u>823,330</u> |
| OVERLAYS | |
| North Santee Alley Overlay | 75,916 |
| South Santee Alley Overlay (pass-thru) | 160,358 |
| Overlays Sub-Total | <u>236,274</u> |
| TOTAL REVENUES | <u>\$ 1,059,604</u> |
| BID EXPENSES | |
| Clean and Safe Programs | \$ 670,427 |
| Image and Communication | 36,966 |
| Special Projects | 39,098 |
| Administration | 48,316 |
| City Fees, Depreciation, Bad Debt Allowance | 40,601 |
| BID Renewal | 34,798 |
| BID Expenses Sub-Total | <u>870,205</u> |
| OVERLAYS EXPENSES | |
| North Santee Alley Overlay ³ | 75,916 |
| South Santee Alley Overlay (pass-thru) | 160,358 |
| Overlays Expenses Sub-Total | <u>236,274</u> |
| TOTAL EXPENSES | <u>1,106,479</u> |
| NET REVENUE⁴ | <u>\$ (46,875)</u> |

Note 1: On accrual basis

Note 2: YTD actual includes \$18,375 from S. Santee Alley for providing Cleaning, Safety Supvsn, & Social Media Svc

Note 3: This figure includes these re-allocated costs: \$15k from Cleaning, \$1,500 from Safety and \$1,875 from I&C

Note 4: This negative Net Revenue is offset by a Board-approved Allocation of Unspent Funds from Prior Years



LA Fashion District Business Improvement District

2013 Activity Reports

Second Quarter

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I Second Quarter Activities

Finance

Public Space Management Activity

- Public Space Safety Programs
- Proposed 2013 Third Quarter Activities
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Administration and Advocacy

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- Advocacy Programs
- Proposed 2013 Third Quarter Activities

Image, Communications and Special Projects

- Image & Communications Programs
- Proposed 2013 Third Quarter Activities
- Special Projects Programs
- Proposed 2013 Third Quarter Activities

II Attachments

- 1 2nd Quarter Financial Summary**
- 2 2012 Annual Report**
- 3 BIDLINES newsletter: 2013: Spring-Summer edition**

2013 OPERATING BUDGET SUMMARY

The total improvement plan budget for the 2013 Fashion District BID is \$4,182,370.

FINANCE

Approval of 2012 Tax Returns

At their meeting on May 23, 2013, the Finance Committee recommended approval of the 2012 Tax Returns (Federal Form 990 and State Form 199) and electronic transmission to the appropriate agencies. The Forms were prepared by the CPA firm Gleicher, Tilley, Leonard, LLP.

The Board of Directors unanimously approved the 2012 Tax Returns as presented on May 23, 2013.

Proposed 2013 Third Quarter Finance Activities

- Continue BID Renewal activities

PUBLIC SPACE MANAGEMENT ACTIVITIES

| | | |
|---------------------------|--------------------|--------------------------|
| 2013 Annual Budget | \$2,721,350 | 65% of the budget |
|---------------------------|--------------------|--------------------------|

This portion of the budget is allocated to all Clean & Safe Program Services.

PUBLIC SPACE SAFETY PROGRAMS

Second Quarter Contact Summary

BID Safe Team officers conducted 4,258 **Citizen Assist** events during the 2013 2nd Quarter. **Welfare Checks** nearly doubled compared to 2012 2nd quarter records with 1045 during April, May, June 2013 and 785 incidents recorded during the 2012 2nd Quarter.

Illegal Vending totals increased compared to 2nd Quarter 2012 records.

Robbery / Vandalism more than doubled with 168 incidents recorded in 2nd Quarter 2013 compared with 64 incidents recorded during the same quarter last year.

Surveillance Cameras to Go Live

We are working with LAPD Officer Kyle Rice to restore the cameras in the LA Fashion District. LAPD requires a signed agreement with property owners where the cameras are located. Central Division received a grant for \$385,000 from the Federal Government to repair surveillance cameras and improve the monitoring room. The cameras will be concentrated in Skid Row, the Fashion District and the Historic Core

Family Attacked by Illegal Animal Vendors in the LA Fashion District

On Tuesday, May 28, 2013 NBC Channel 4's Anna Garcia reported on an incident that occurred in the LA Fashion District on March 9th, 2013 where a family was attacked by illegal animal vendors. In the "Get Garcia" story the family had flagged down LAPD to report animal abuse. This incident was covered in the March 21, 2013 issue of What's New.

The LA Fashion District Business Improvement District (BID) responded to the report with an official statement:

The LA Fashion District Business Improvement District (BID) is appalled at the violence the Horlings Family endured while visiting the Fashion District. We applaud the courage the family showed in contacting police to report the animal abuse and condemn the actions of their attackers. We strive to keep the LA Fashion District clean and safe and it is unfortunate that this happened in the district.

On March 9th, the day of the attack, the Fashion District BID Safe Team aided in the arrest of Pluma Mena who fled the scene and was located by BID Officers hiding in a parking lot, shortly after the attack was reported. BID officers also assisted LAPD in locating and arresting known illegal animal vendor Juan Mena, who was later linked to the March 9th incident. We are currently working with the Los Angeles Police Department (LAPD) and the City Attorney in the investigation of this case.

The LA Fashion District BID does not condone the illegal sale of animals in the district. We will continue to work with LAPD and the City to stop illegal vendors and maintain the district as a clean and safe environment to shop and do business.

On May 31, 2013, City Attorney Trutanich published this follow up in their email newsletter:

ANIMAL PROTECTION: City Attorney Trutanich Charges Woman For Illegal Sales of Animals and Assault
City Attorney Carmen Trutanich has filed seven criminal counts against a woman who illegally sold rabbits and attacked a family as they attempted to intercede.

"The street sale of rabbits and other animals in Los Angeles is illegal because they are often poorly and improperly treated," City Attorney Trutanich said. "The defendant, a repeat violator, not only disregarded the law, but also attacked the father of a family, scratching his face, and then punched his 12 year-old son."

The charges stem from a March 9, 2013 incident when defendant Norma Pluma was near Santee Alley allegedly selling turtles and infant rabbits with her underage daughter. Police were called to the scene by members of a family, two of whom were identified as victims, who realized the animals were in distress. The police gave two abandoned infant rabbits to the family members who reported the illegal sales and left the scene, believing the incident had been resolved.

Minutes later a hostile crowd of eight to 10 people gathered, including defendant Pluma, taunting the family to return the infant rabbits. Defendant Pluma then attacked the father and the son and police were called again. Both victims were injured in the attack.

Board Members and Santee Alley Owners attended a meeting to talk with Captain Frank on June 4, 2013. The Captain was unable to attend. The discussion was rescheduled for July 16, 2013 at the BID's Operations Committee meeting.

Streetlight Vandalism

On June 12, 2013 we requested assistance from Council District 14 for repairs at multiple locations where streetlight covers had been opened, wires cut and exposed. The BID put up barricades to prevent trip/fall accidents.

We immediately contacted Council District 14 for assistance and by June 17th we are pleased to report that all lights were back in working order.

1716 S San Pedro St.
960 S San Pedro St.
934 S San Pedro St
1334 Maple

1458 S San Pedro St.
934 S San Pedro St.
948 S San Pedro St
1308 Maple

1126 S San Pedro St.
916 S San Pedro St.
1418 Maple

1188 S San Pedro St.
916 S San Pedro St
1400 Maple

CicLAVia in the Fashion District

This popular event came to downtown and the Fashion District on Sunday, April 21st – 10 am to 3 pm. Based on five hugely successful CicLAVias, organizers are currently preparing for the next round of CicLAVia events in 2013: CicLAVia - *To the Sea* took place on April 21; CicLAVia - *Iconic Wilshire Boulevard* on June 23; and CicLAVia - *Heart of LA* on October 6.

The April 21st route traveled through the LA Fashion District east on 7th Street to north on Main Street. CicLAVia makes the streets safe for people to walk, skate, play and ride a bike. There are activities along the route. Shop owners and restaurants are encouraged to open their doors to people along the CicLAVia. Ciclovías started in Bogotá, Colombia, over thirty years ago as a response to the congestion and pollution of city streets. Now they happen throughout Latin America and the United States.

May Day March

LA Fashion District BID Staff and Clean & Safe Teams worked with the Los Angeles Police Department before and during the May Day Marches in downtown LA. LAPD Sgt. Hainline and SLO Jones coordinated a cleanup of Broadway on April 30th with the LA Fashion District BID, Historic BID and the Downtown Center BID. We also removed some graffiti that was painted the night before.

On May 1st BID Operations Director Randall Tampa and Manuel Madueno, Safe Team Supervisor, met with LAPD Captain Jorge Rodriguez (Foothill Division) at Olympic and Broadway who briefed them on the march. There were no incidents in the district.

Downtown Hospitality Forum

BID staff attended the Downtown Hospitality Forum on May 2, 2013 at the Orpheum Theater to learn about topics specific to the Entertainment Industry. Guest speakers included Councilman Jose Huizar, District 14, LAPD Deputy Chief Michael Downing, and Special Assistant City Attorney Jan E. Usher. LAPD Captain Horace Frank is working directly with the venue owners and managers to address concerns and exchange ideas and best practices. The meeting was generously hosted and catering provided by Steve Needleman.

Proposed 2013 Third Quarter Public Safety Activities

- Continue education information for property owners on their responsibilities for discouraging illegal activities by tenants on their premises, and to comply with clean sidewalk codes.
- Continue to act as liaison to direct homeless populations to service organizations.
- Address illegal vending and pet sales in the district.

PUBLIC SPACE CLEAN PROGRAMS

The Fashion District BID clean programs deal with improving the public environment by providing graffiti removal, sidewalk and alley cleaning, street trash removal, tree trimming, weeding and poster removal.

Central Clean Up

On May 30, 2013 the BID Clean Team responded when Captain Horace Frank called for help with removing feces from the front of LAPD Central Division. Captain Frank commended the LA Fashion District for their willingness to take on the all too frequent job of removing fecal matter from store fronts, city sidewalks, and now Central Division. Many thanks Clean Team for helping reinforce our outstanding partnership with LAPD!

Alley Clean Up

The BID and Bureau of Sanitation worked together to clean up of four alleys on Main Street and Wall Street between 11th and 12th Streets and the alley on San Julian and Wall Street between 9th and Olympic. These alleys

The process was delayed due to a court determination over general and special benefits that required the Arts District BID to dissolve. The determination was based on complaints from several property owners who filed a lawsuit. The court stated that general benefit must be quantified no matter how small the benefit. The Arts District BID Management Plan did not address general and special benefit so the judge had to dissolve the BID. The court case was against the City of Los Angeles and not the BID.

As a result the City Attorney has been acting with an abundance of caution and delayed a formal approval of the Fashion District Management Plan. The Fashion District general benefit is calculated at 2.42% of the total assessment which must be funded by other than BID assessment.

Board Members agreed to call and contact Council District 14 to urge adding the item to the May 29th City Council agenda. Our plan went before the City Council on May 29, 2013 and was approved. The Ordinance of Intention was signed by Mayor Villaraigosa on June 4, 2013.

Ballots were mailed by the Clerk's office on June 6, 2013. Owners have 45 days to vote. The public hearing is scheduled for July 23, 2013 and the Ordinance of Establishment approval is scheduled for July 24, 2013.

Councilman Huizar in Support of BIDs

On June 20, 2013 Councilman Huizar released an important update regarding the recent dissolution of the Arts District Business Improvement District (BID) due to a recent court action. In it he states that he fully supports BIDs. They provide a level of service that goes above and beyond what the City can provide, which is why he believes they are essential Downtown community partners.

Key Elements that Make the LA Fashion District BID Special

The LA Fashion District BID was formed in 1996 by a group of dedicated property owners who wanted to help preserve property values and the business community with Clean & Safe services.

The focus remains the same and so does the transparent process of how we deliver services:

- 15-member Board of Directors, comprised of Fashion District property owners, oversees all service & program expenses.
- Board Members are elected by property owners in an annual election.
- An annual audit/financial statement is published yearly and posted on the website at www.fashiondistrict.org
- Any excess revenue is returned to property owners in reduced assessments. (There will be a 2.4% assessment reduction in 2014.)
- All meetings are open to the public. Meeting times are posted on our website.
- 0.6% BID assessment revenue increase from 1999 to 2014.

Fashion District Board of Directors Member Resignation /New Board Appointment

Board Member Conrad Midolo resigned leaving a vacancy on the Board of Directors. Bylaws allow appointment of a Board Member until the next election or leave the seat vacant. In the last election candidate Dan Bartholomew received the next highest number of votes.

On May 23, 2013 Board Members agreed to invite Dan Bartholomew to serve as a Board Member until the 2013 next election based on his ability to serve. Mr. Bartholomew was contacted and is interested in serving through the end of the year. His nomination will be confirmed at the Board meeting on July 18th.

Election Committee Appointments This item was deferred to the July meeting.

Annual Meeting and Report

The 2013 Annual Property Owner Meeting was held on April 25, 2013. City of Los Angeles Controller Wendy Greuel, Mayoral Candidate, discussed her candidacy for Mayor. Attendees asked several questions. Opposing candidate Eric Garcetti was invited and declined to attend.

Kent Smith, Executive Director presented a power point summary of 2012 highlights.

A New Landmark Developments in the LA Fashion District Panel Discussion focused on Ace Hotel and City Market. Jason Dibler, General Manager of the new Ace Hotel, located at 954 S Broadway, talked about the hotel as a new amenity in the LA Fashion District that will cater to visitors, shoppers, and trade show attendees. Peter Fleming, President of the City Market of Los Angeles, located at 9th and San Pedro, talked about the transformation of the property use from wholesale produce to a mixed use with residential, school campus and retail.

The 2012 Annual Report was distributed at the meeting and mailed to all property owners. A copy is included as Attachment 2.

ADVOCACY

Funding for Downtown Community Plan and Fire Station #9

Councilmember José Huizar successfully included Downtown priorities in the final City budget, including funding for an updated Downtown Community Plan, and critical personnel for Fire Station #9 which is located in the LA Fashion District. The budget was signed during the week of June 3, 2013 by Mayor Villaraigosa.

The Downtown Community Plans have not been updated for the last decade despite tremendous growth and change in the area. Councilmember Huizar has called for the planning effort to synchronize the Central City and Central City North plans, which have been separate since they were established in the 1960s. By combining these two plans, the Councilmember seeks to ensure a more integrated vision and better connectivity among Downtown's unique neighborhoods.

City Market EIR

The City Market mixed use project will be the largest development in Los Angeles since construction of LA Live. City Market is now going through the EIR process. The BID stated that public transportation is our highest general benefit priority; we already have abundant affordable housing.

Neighborhood Council Supports City Market Project

At the March 2013 meeting the Downtown LA Neighborhood Council (DLANC) Board of Directors voted to support the City Market Project as a catalyst for future development in the LA Fashion District. The DLANC Planning Committee recommended the project for approval on March 19, 2013. DLANC and the Planning Committee serve the City of Los Angeles in an advisory capacity and public forum for issues that impact our unique downtown neighborhood.

Developing a New Zoning Code

The City is launching re:code LA, the first comprehensive update to the city's Zoning Code since 1946. The new Zoning Code will include clear, predictable language and offer a wider variety of zoning options to more effectively accommodate L.A.'s changing needs and to establish a vision to position the city for the 21st century. Re:code LA is a key component of the city's Development Reform Strategic Plan. The first deliverable will be the

Downtown Development Code, expected in the next 18 to 24 months. BID staff will attend a meeting on July 10, 2013 to learn more about the project.

AB5 – Homeless Person’s Bill of Rights and Fairness Act Suspended

On May 30, 2013 we learned that the California Assembly’s Appropriation Committee held AB 5 (Homeless Bill of Rights) on the Suspense File due to cost concerns and impacts on state and local governments. This means the bill is “dead” for the year.

This sweeping law proposed to amend multiple areas of the civil and government codes to create a new protected class of individuals and confer them a wide variety of “rights,” including the right to access and occupy virtually any public space in the state, including sidewalks, parks, bus stops and plazas in our Downtowns, shopping center common areas, and even foyers of office buildings.

The California Downtown Association (CDA), BID Executive Director Kent Smith is a member of the Board, organized opposition to AB-5 the Homeless Bill of Rights through several channels including the CDA’s Action Alert website, media and opposition letters submitted by BID’s across California including the LA Fashion District. Opposition to AB 5 also came from CalChamber and the California League of Cities Leg Committee.

In a joint letter to the Appropriations Committee from the California League of Cities, California Downtown Association, and California Special Districts Association, several major concerns were outlined, while noting the already scarce public safety funding:

1. AB 5 increases costs for local law enforcement by requiring the annual compilation and reporting of statistics on violations related to obstructing a sidewalk, loitering, sitting, lying down, sleeping in public, soliciting donations, bathing in public places, sleeping in a vehicle, jaywalking, and trespassing.
2. AB 5 would usurp local authority by prohibiting the enforcement of existing local ordinances if the county does not maintain year-round nonmedical assistance and there are fewer than 50 people on the county’s public housing waiting list.
3. AB 5 Prevents a local agencies from seeking legal remedies to recoup losses should their employees offer their facilities and resources for use by, or distribution to, homeless persons without the consent of that local agency.
4. AB 5 require *every* local government to have a “sufficient” number of health and hygiene centers with access 24 hours a day, seven days a week to bathroom and shower facilities, funded by the State Department of Public Health. This is an extremely expensive mandate on local governments.

On top of these concerns regarding impact on local government coffers, AB 5 would make it even more difficult for Business Improvement District employees to keep their districts safe, clean, and attractive to the general public. BIDs would have very little support from local law enforcement and no recourse under the law to deal with significant issues related to homeless issues.

AB 5 was introduced Assemblymember Tom Ammiano to give anyone the right to camp on the street and urinate and defecate in public and severely limit businesses ability to limit access to their property. The California Downtown Association and BIDs are opposing the bill.

On January 17, 2013 the BID Board of Directors voted unanimously to oppose the enactment of Assembly Bill 5, Homeless Person’s Bill of Rights and Fairness Act, that will allow homeless individuals to die on the streets.

On January 22, 2013 we sent a letter to the author of the bill. We were invited to submit a letter by Council District 14 whose staff met with the Assemblyman on this and other issues. In the letter we requested withdrawal of this flawed bill and the redirection of attention and funding to housing the homeless with access to wrap around services that improve their quality of life and that of the community.

In March 2013 Councilmen Parks and Englander forwarded a resolution opposing the Homeless Bill of Rights to the City Council for approval.

City Council Approves \$18 Million for Permanent Supportive Housing

On April 12, 2013 BID staff joined a coalition of social service providers and BID leaders, including Home for Good Chair Jerry Newman, to attend a City Council meeting to speak in support of the request for \$18 million for permanent supportive housing in Los Angeles. City Council agreed to approve the motion.

The vote is a significant advance toward developing the 1,200 housing units that are required to satisfy the terms of the Jones settlement that allows people to sleep on public and private property between the hours of 9 pm and 7 am. The Jones settlement has put a burden on not only our property owners and merchants but also on the BID cleaning and safety budgets.

Social services and the business community have worked hard over the last several years to combine efforts to secure housing for the chronically homeless. It is important to note that the new housing units will be developed throughout the city, the City's \$18 million allocation will be combined with County dollars for services and housing, and the funding will ultimately leverage additional private and public sector dollars for additional housing and services.

Homeless Effort Shows Results

A new computerized data gathering and management system is working to place homeless in housing. The pilot project was pioneered by Project 50, an effort to house 50 of the county's most intractable street dwellers. Project 50 was developed under the auspices of Home for Good, an initiative of United Way of LA and the Los Angeles Area Chamber of Commerce. LA Fashion District BID Executive Director Kent Smith served on the original task force that created the plan.

Deputy City Attorney at DLANC Meeting

Jane Usher, Deputy City Attorney, attended the DLANC Board Meeting on April 9, 2013 to discuss the Lavan Case in which the district court enjoined the City from confiscating and summarily destroying abandoned property in Skid Row. On June 13, 2013, the City Attorney is going back to the trial court judge to ask for a definition of personal possessions, and what items can be removed to protect public safety specifically bulky items and contaminated items. Usher asked for continued public input.

Court Rules Homeless Belongings Allowed to Stay on Public Sidewalks

On June 24, 2013 the U.S. Supreme Court opted to allow a lower-court ruling to stand which prohibits the removal or destruction of belongings found on the sidewalk in Skid Row.

Exclusive Waste Franchise System

Kent Smith met with Martin Schlageter, Policy Director at CD 14, to discuss the BIDs comments related to the EIR. We are working to bring Martin to a Board meeting to discuss the issue.

Smith Meets with Sacramento Legislature to Discuss Downtown

BID Executive Director Kent Smith was in the State capital on Monday, April 29, 2013 to attend a Board of Directors meeting of the California Downtown Association (CDA). Smith is a Member of the CDA Board and met with State Legislators to talk about the importance of downtown issues.

BIDs Present at Annual CALED Conference

BID Executive Director Kent Smith participated in a special presentation "Are BIDs Replacing CRAs" at the annual CALED economic development conference in Long Beach on April 11, 2013. Smith was joined by fellow BID colleagues Kraig Kojian, Long Beach, and Tiffany Bromfield, San Diego, in the presentation. The California Association for Local Economic Development (CALED) is California's premier economic development association. This year's conference Onward & Upward: Moving Local Economic Development Forward focused on how to fund economic development, best practice models, policy, and professional development.

SB 1186 PROVISIONS – ADA LAWSUIT REFORM

California has 40 percent of the nation's ADA lawsuits but only 12 percent of the country's disabled population. So last year Governor Brown signed SB 1186 (Steinberg/Dutton), which will curb lawsuit abuse regarding the Americans With Disabilities Act (ADA) while promoting increased compliance with disabled accessibility building codes.

The effort is the culmination of a multi-year, bipartisan effort, that included leadership from state level elected officials Senate pro Tem Darrell Steinberg (D-Sacramento) and Senator Bob Dutton (R-Rancho Cucamonga), with federal support coming from Senator Dianne Feinstein (D-CA).

This measure is hailed as the most comprehensive and significant reform to California's ADA Law. It passed the Legislature by a two-thirds vote, garnering support from both parties.

Among other things, this measure: prohibits pre-litigation "demands for money" by attorneys; puts into place new provisions to prevent "stacking" of multiple claims to increase statutory damages; reduces statutory damages and provides litigation protections for defendants who correct violations; and establishes priorities for the California Commission on Disabled Accessibility that promote and facilitate disability access compliance. Here are some more specifics on the main provisions of the bill:

1. Reduced statutory damages and litigation protections for defendants who correct violations
2. New provisions to prevent stacking of multiple claims to increase statutory damages
3. Ban on demands for money and new rules for demand letters
4. New pleading with specificity requirement for demand letters and complaints
5. State Bar review of demand letters; violation of demand letter and demand for money provisions would be grounds for attorney discipline
6. Mandatory evaluation conference at option of either defendant or plaintiff
7. Mandatory notice to property tenant of CASp status of the property
8. California Commission on Disability Access (CCDA) to receive copies of complaints and demand letters and tabulate data on top ten types of violations alleged
9. CCDA to promote and facilitate accessibility compliance
10. Required information regarding disability access compliance to businesses upon renewal of business license
11. New add-on fee of \$1 to business license fee to strengthen CASp program and develop educational and training resources at state and local level to promote compliance

SB 1186 PROVISIONS – ADA LEASE LANGUAGE

As part of this overall historic reform, a lease language requirement was signed into law which requires property owner and lessor to notify the tenant in the lease form or rental agreement executed on or after July 1, 2013, whether the property being leased or rented has undergone inspection by a CASp, and if so, whether the property has been or has not been determined to meet all applicable construction-related accessibility standards.

Here is the actual statutory language: SEC. 12. Section 1938 is added to the Civil Code, to read:

1938. A commercial property owner or lessor shall state on every lease form or rental agreement executed on or after July 1, 2013, whether the property being leased or rented has undergone inspection by a Certified Access Specialist (CASp), and, if so, whether the property has or has not been determined to meet all applicable construction-related accessibility standards pursuant to Section 55.53.

Several commercial real estate law firms have already sent out client advisories on how to comply with this section of law. It is strongly suggested that owners consult with an attorney or those responsible for drafting leases in your company to assure that you are ready to be in compliance with the law when it kicks in later this summer.

Separated Bike Lane Proposed for 11th Street between Broadway and Figueroa

On April 3rd BID staff convened a meeting with property owners and organizers of the MY FIG project to discuss the plans to overhaul 11th Street from Broadway west to Figueroa.

At the meeting several property owners expressed concern over the project's proposal to reduce 11th Street down to one lane. In particular concern was expressed about maintaining left hand turns to Grane Avenue to access the westbound 10 Freeway. In addition concerns were expressed about difficult truck and delivery access, elimination of valet parking, curb bump outs, separated bike lanes, and resulting traffic jams. Though it is just outside the Fashion District boundaries, this change could cause increased traffic, as any driver waiting to turn left could stop traffic flow. This is especially concerning near Grand Avenue, where drivers typically turn left for the freeway entrance.

According to a *blogdowntown* story on April 10, 2013 the project plans are set to move ahead with no changes or risk losing funding.

New Bike Lane Installation on 11th St.

The LA Fashion District has a new bike lane installation on 11th Street. The lane striping starts at Wall Street and extends west to Broadway. The installation is part of the adopted 2010 Los Angeles Bicycle Plan Implementation Strategy.

Bike Lane Plans for 7th Street

The Los Angeles Department of Transportation (LADOT) is planning to re-stripe 7th Street to add bicycle lanes between Figueroa Street and Main Street, as part of the adopted 2010 Los Angeles Bicycle Plan Implementation Strategy. The Plan calls for one lane of traffic in each direction, a continuous center left turn lane, bicycle lanes and retention of existing on-street parking.

We are pleased that LADOT plans to preserve parking between Spring & Main Streets (bike lanes do not go east of Main) and the introduction of the left hand turn lanes at Main & Spring in the LA Fashion District.

At a meeting on June 28 we learned that the 7th Street Bike Lanes Project is going ahead as planned

Mobility Element Notice of Preparation (NOP) of an Environmental Impact Report (EIR) and Scoping Meetings

The City of Los Angeles is developing a Mobility Update that will address all modes of circulation on the City's street network including Pedestrian Enhancement Districts and Transit, Bicycle and Vehicle Enhanced Networks. Several streets in the LA Fashion District will be included in the Mobility Update including Spring Street, Main Street, Los Angeles and San Pedro Streets.

Many participants at the public meetings voiced their concern with the Vehicle-Enhanced Network (VEN) and the potential safety and traffic issues that may result from these enhancements. However, the VEN will not act as an exclusive roadway for vehicles; just as all the other networks are not exclusive streets for a particular mode. The [three networks and pedestrian districts](#) will create a layered network of complete streets that provide more choices and opportunities for all users. The Mobility Element update plans for the next 25 years of the City's transportation systems and is the framework by which the City's roadways can be transformed and reimagined. They also received comments about streets that should be included or taken out of the proposed networks, concerns about the extent of enhancements proposed along busy corridors, and the potential impacts to existing uses and the environment. All these issues will be analyzed and addressed in the draft document and EIR.

MY FIG and Proposed 11th Street Bike Lanes

On April 3rd BID staff met with organizers of the MY FIG project to discuss the plans to overhaul Figueroa Street from L.A. Live to Exposition park. In a recent meeting with coordinators, LA Fashion District as well as 11th Street from Broadway west to Figueroa.

At the meeting several property owners expressed concern over the project's proposal to close 11th Street down to one lane, difficult truck and delivery access, elimination of valet parking, curb bump outs, separated bike lanes, and resulting traffic jams. Though it is just outside the Fashion District boundaries, this change could cause increased traffic, as any driver waiting to turn left could stop traffic flow. This is especially concerning near Grand Avenue, where drivers typically turn left for the freeway entrance. LADOT will review the proposed plans to consider these concerns.

Congestion Mitigation Fee Shelved

On June 6, 2013 BID Staff joined colleagues at a CCA meeting for a discussion by Supervisor Knabe and Supervisor Molina's office to express the business community's objections to Metro's proposed congestion mitigation fee (CMF). If adopted, the CMF would direct cities throughout the county to adopt an ordinance establishing a fee on all new development. Having successfully secured a 60-day continuance, we are working with CCA and the broader business community to develop an alternative proposal to address our region's congestion.

On June 28, 2013, the Los Angeles County Metropolitan Transportation Authority (Metro) voted to shelve the Congestion Mitigation Fee (CMF) proposal, as Metro staff reviews legislative options to determine whether the Congestion Mitigation Program (CMP) is still an appropriate transportation tool aligned with our state and regional objectives.

Had it not been for the efforts business community, Metro would have moved forward with the CMF, resulting in a \$2.4 billion cost to the private sector. If adopted the fee would have been imposed on all new development within the 88 cities of Los Angeles County possibly creating a chilling effect on future development and investment in Los Angeles.

Notice of Street Repairs on Saturday, June 22 and June 29

The Bureau of Street Services (BSS) will be repairing the bus stop landing pad on the west bound lane at 7th Street / San Julian Street on Saturday June 22 starting at 6:30 am to 3:00 pm. One travel lane will be closed for 3 days to allow time to pour and cure new concrete.

On the following Saturday, June 29, eastbound curb lane traffic on 9th Street / Maple Street will be closed for the same type of repair. The repairs, including new curbs and gutters, will not remove parking spaces as the bus stops already exist.

ECONOMIC DEVELOPMENT**Urban Outfitters to Open in Rialto Theatre**

The Philadelphia-based retail chain announced on May 2 that it is opening up a large store inside the nearly 100-year-old Rialto Theatre, located on Broadway in the LA Fashion District. The 9,830-square-foot store will open by the end of 2013.

LA Focused Fashion Incubator to Open on Los Angeles Street

Factory LA, a for-profit fashion incubator, focused on Los Angeles based designers and manufacturing is scheduled to open at 840 S. Los Angeles St. later this summer.

LA Fashion Market, June 10-13

LA Fashion Market Fall II/Holiday 13 ran June 10-13, including the SELECT and TRANSIT tradeshow. The California Market Center hosted an opening night reception on Monday, June 10, 5-7 p.m.

Lines Directory Updated

The BID updates the website Wholesale Line Directory before each Market Week. With five Market Weeks every year the LA Fashion District attracts thousands of wholesale buyers from across the country to buy apparel for their stores and boutiques.

We work in partnership to prepare a comprehensive list of the most recent lines available with building owners at California Market Center, The New Mart, Cooper Design Space, Gerry Building, Lady Liberty Building, Academy Awards Building and the D&A Trade Show. Through this cooperation the Fashion District helps promote the apparel industry, district services and restaurants.

Broadway Dress Rehearsal

Council District 14 and the Mayor's Office are launching a phased implementation plan of the Broadway streetscape plan for Broadway between 1st Street and Olympic Blvd. Tentative installation of seating and plantings is scheduled for May 2013. BIDs are being asked to maintain the space. We met with the Bringing Back Broadway organizers and neighboring BIDs to discuss the project. The BIDs agreed they want to make this "dress rehearsal" a success by doing some pre-planning we want to avoid problems that have arisen elsewhere.

The BIDs have refused to accept liability and submitted a red-lined contract. We asked that these issues be addressed as soon as possible:

1. We should be sensitive to locations where construction is occurring (like the Ace Hotel) and consider phasing implementation in these locations.
2. There were 77 Film LA permits pulled in 2.5 blocks of Broadway in 2012. Film LA had serious concerns about the paint used on the Spring Street bike lane.
We should endeavor to bring them in to review final designs for the pavement treatment and the bollard locations.

3. We want to ensure that the pavement treatment proposed will allow us to clean the surface with pressure washers and scrubbers. We already have challenges with some crosswalk surfaces used by the City.
4. DOT had no construction management capabilities during the installation of the 9th & Spring median. The contractor totally ignored the design spec and drawings with minimal consequences. The installation of the Spring Street bike lane has also been problematic. IF the BIDs are going to maintain these spaces, we must have some approvals of the design and a final inspection/handover if this is to be successful.
5. We have serious concerns about the language of the MOU which makes BIDs liable for anything that happens in these spaces which the City is currently liable for.
6. We will not assume any more liability than we already have for cleaning the sidewalks.
7. There are ADA issues and "slip and fall" hazards which need to be carefully handled in the design of these spaces. The difference in elevation between the sidewalk and the street needs to be addressed and storm drain locations are also potential hazards for people using these spaces. Broadway is not a level street and slopes near the curb could be potentially hazardous to the elderly and young children. Again the BIDs will not assume any liability for these issues as the current MOU requires us to do.
8. We need to work on a model of BIDs doing cleaning and others (perhaps adjacent tenants) taking responsibility for tables and chairs. This will require some thought as the best solution may be to have the tenant responsible for keeping the space clean while the chairs and tables are out and the BIDs taking on the responsibility for other times. Storage may be a challenge in some locations on Broadway. Every effort should be made to locate these spaces where storage is nearby.
9. The requirement to keep the spaces "open" from 7:00am to 10:00pm will be problematic if there is insufficient light for the spaces. The location of these spaces has to be carefully planned to take advantage of existing lighting as adding lighting will be difficult.
10. Another design issue that must be resolved is public safety. We already have had vehicles careen into public spaces (Santa Monica Farmers Market, Pattern Bar) Bollards have to be strong enough to stop vehicles from entering these pedestrian spaces. The BIDs will assume no liability in these situations.
11. The use of current public spaces for illegal vending, the storing of possessions and encampments is already a regular occurrence in downtown LA. By making the spaces public as set out in the MOU, the BIDs will have no control over the use of these spaces. LAPD and Street Services do not have the resources for enforcement and court settlements now allow encampments and the storage of personal possessions on public property. In regard to illegal vending the current ordinance does not allow vending on the sidewalk but is silent on vending in the street. The mobile food vending industry has successfully challenged the City's rules for street vending.

The solution we would recommend is treating these spaces like outdoor dining areas with revocable permits and fees charged so that the use of the space can be controlled and an entity can be held accountable for managing the space. Restaurants and other merchants could apply for permits for spaces adjacent to their premises. We also suggested that Film LA should be brought in before plans are finalized. Downtown Center BID attorneys reviewed the proposed maintenance contract. A revised document was forwarded to Council District 14 for comments.

On June 24, 2013 BID Staff met with the Broadway Dress Rehearsal Committee to discuss BID participation and maintenance services for this temporary streetscape project. The area on Broadway between 9th Street and 11th Street is in the LA Fashion District boundaries. Besides graffiti removal the BID's are now expected to water and maintain the planter boxes, but it will be our responsibility to replace the topsoil, mulch and the plants on a quarterly basis.

Each planter is going to cost the BIDs roughly \$400.00 per year, per planter just for the plants. Our maintenance cost and time along with the top-soil are not factored in. If the BID has 52 planters @ \$400 per planter the cost will be approximately \$20,800.00 per year (excluding planting time, purchasing time, fuel, etc...).

At the end of June 2013 the L.A. City Council voted to fund the first phase of Broadway's transformation from a busy thoroughfare into a more pedestrian-friendly street. Council unanimously approved taking \$1.9 million out of local Measure R funds to pay for the capital costs of the project.

Phase I of the "Broadway Streetscape Master Plan" will include a "reconfiguration" of Broadway's six lanes of traffic, into three lanes. The thoroughfare will turn into one southbound lane and two northbound lanes, for nine blocks between 2nd and 11th streets.

Development Boom in the LA Fashion District

California Apparel News published a great story in the April 5, 2013 edition about the recent development boom that will change the LA Fashion District.

Los Angeles Fashion Career Fair

CMC is hosting StyleCareers career fair for fashion industry properties on April 18, 2013. Recruiters will be looking for fashion industry professionals with backgrounds in Apparel, Accessories, Footwear, Graphic Textiles and Corporate Retail. This is a great opportunity for students seeking jobs in the apparel industry

Dorfman in Love Movie Highlights Fashion District

Dorfman in Love tells the story of a young single suburbanite who comes to Downtown LA and ends up falling in love. The movie was filmed almost entirely in Downtown and features both the Fashion District and Santee Alley.

DesCours Art Project

Kent Smith met with Melissa Urcan, President/CEO at LERATA (Laboratory for Experimentation and Research in Art, Technology and Architecture), to talk about DesCours a free, public, ten-day architecture and art event. This event invites internationally renowned architects and artists to create 15 architecture installations within "hidden" locations in the heart of New Orleans.

New Wine Bar Coming to The Parish

The Parish has closed its downstairs cafe with plans to reopen as Parish Wine Bar.

New Chef at Gram and Papa's

Cyril Kabaoglu is now leading the kitchen at this popular 9th Street restaurant in the LA Fashion District.

Pattern Bar and Sunday Sessions Starting May 26th

Gather together with family and friends for an afternoon of the best in electronic music performance. Carefully curated by Eduardo Castillo from The Eclectech, Castillo brings the beautiful soaring sounds beats of local and international DJs and producers to the heart of Downtown LA. Eduardo Castillo is owner of the famed Pattern Bar located at the corner of 9th and Spring Streets in the LA Fashion District. Happening every last Sunday of the month all summer long Grand Park Sunday Sessions will also feature food trucks and cocktails by Pattern Bar.

LA Fashion District has New Dining Options

The LA Fashion District boasts two new dining options. Chef Fred Eric, of Tiara Cafe, has opened D'elish Sandwich Shop in The New Mart. Down the street, Gram and Papas announced a new pop up, M & J Fried Chicken, for May 13, 6:30 p.m.

California Flower Mall Welcomes New Restaurant

Q Café opened in time to serve flower shoppers on Mother's Day. The café located in the interior atrium of the California Flower Mall features international cuisine, coffee, and fresh fruit arrangements in a charming al fresco dining atmosphere.

PARKING

New Valet Parking Ordinance

On May 15, 2013 we attended a meeting to hear about City Council adoption of an ordinance regulating valet parking, new permitting fee schedule and the program's implementation plan. This ordinance will apply to any use of public streets to park or move cars.

Prompted by complaints from businesses and the public, the ordinance aims to eliminate rogue operators, while addressing matters of public concern such as utilization of public parking spaces and loading zones.

Under the new regulatory structure, valet parking operations would be overseen by the LAPD Board of Police Commissioners and Los Angeles Department of Transportation (LADOT). The City Council is expected to vote on the ordinance within the next several weeks. Implementation could begin late July or early August; all lots will be identified and contacted and application materials provided.

Express Park – 1 Year Later

One year ago LA Department of Transportation (LADOT) launched Express Park – a demand based parking pricing and real time parking guidance system pilot project. Since then meters were upgraded, vehicle sensors installed and other systems in target areas including the LA Fashion District. LADOT is now looking to introduce adaptive pricing and add more flexibility to their ability to raise or lower rates.

LA Express Park Meter Pricing Change

LA Express Park made several refinements to the meter pricing in the Fashion District based on the most recent usage data. There is also one block on Pico where the time limit was extended from 2 to 4 hours because although it is already at the lowest rate, it is still underutilized. The rate changes happened on Monday, May 6th.

Express Park Updates for June 2013

LADOT has updated parking meter rates throughout Downtown Los Angeles and extended time-of-day rates. Overall, rates are staying about the same, but the average rate is decreasing at 3.7% of the Downtown spaces and increasing at 4.3% of them.

Proposed 2013 Third Quarter Administration/Advocacy/Economic Development Activities

- Continue to advocate for the Fashion District BID.
- Continue BID Renewal activities.

IMAGE AND COMMUNICATIONS

The LA Fashion District BID Image & Communications programs are developed to create a positive image for the District based on the positive changes that take place. Programs are designed to attract new investors and customers to the District as well as attract City investment to the District.

BIDLINES Newsletter

The 2013 2nd Quarter Spring-Summer newsletter will be mailed to all owners in the district in June 2013. A copy is included as Attachment 3.

Map Guide Completed

The LA Fashion District's new Map Guide was completed and is being distributed to regional Hotel Concierge Desks, Chambers of Commerce, and Tourist Kiosks. The online map at www.fashiondistrict.org is still available for shoppers to download to their printer. The Map Guide provides visitors the necessary link to our social media addresses so they can make the most of their visit to the LA Fashion District.

Website Searchable Directory Completed

The Searchable Directory update was completed in May 2013 by our team of surveyors who visited every store in the LA Fashion District. We thank our owners and merchants for contributing to the success of this effort. By providing new product, service, restaurant, and contact information for the directory, shoppers and visitors have immediate access to all businesses in the district.

Business Survey

The project was completed during the 2nd Quarter. Surveyors found 3,653 businesses, 75 private parking lots and 305 vacant/for lease properties in the district. .

LA Market Week Report

LA Fashion Market Week took place June 10-13, 2013. The California Market Center reported a successful turnout for its showrooms and both of its tradeshows, SELECT Contemporary Tradeshaw and TRANSIT Footwear & Accessories Show. CMC Tenants reported many new accounts and buyers from prominent national retailers such as Zappos, Dillard's, and Barneys. There was also a significant presence of international retailers shopping at the CMC this Market from countries including Japan, France, Chile, Turkey, Hong Kong, Nicaragua, Mexico, Columbia and Canada.

The New Mart, which hosted the Designers & Agents Show, reported over 600 registered buyers in the first two days of Market. Over at the Cooper Design Space, COEUR Tradeshaw also reported a successful Market Week. The next LA Market Week will be June 10-13 for Fall II/Holiday 2013.

PUBLICITY

Mother's Day Press for the LA Flower District

NBCLA (Channel 4) was in the LA Flower District this morning reporting on how flower vendors have begun preparing for Mother's Day. LA Fashion District BID Board Member Hilda Jimenez was interviewed on Thursday, May 9 on NBC 4. KCAL 9 will be reporting from the California Flower Mall tomorrow morning, Friday May 10, for Día de las Madres. This press coverage is a direct result of the BID's public relations efforts.

Map Guide / App Press Release

Local and national media sources printed stories about the new district navigation tools.

Retweets

We started tracking what other media sources are retweeting from LA Fashion District social media:

- Los Angeles CP - @LosAngelesCP, **3,625 followers**
- Daily Flower Info - @DailyFlowerInfo **3,863 followers**
- SoCal News - @LANewsSource **1,236 followers**
- Los Angeles - @LosAngeles **1,284 followers**

- Los Angeles Plaza - @LosAngelesPlaza **3,638 followers**
- Los Angeles Show - @LosAngelesShow **3,872**
- Los Angeles 24x7 - @LosAngeles_24X7 **4,583 followers**

And not related to Mother's Day...

- Apparel News - @apparelnews, May 10, **7,626 followers**
- LA Downtown News - @DowntownNews, May 13, **12,583**

Website Activity

Social Media activity records are being tracked from January 2011. We added Instagram and Pinterest to our social media tools and will track those visits starting February, 2012. Instagram allows us to post photos of the LA Fashion District that visitors can Like and Share. Pinterest is a pinboard-style social photo sharing website that allows users to create and manage theme-based image collections. Like Instagram, users can share their photos with other Pinterest users or through other social media channels.

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|---|
| 2013 Second Quarter Media Impression, Website Hit, Website Visitor, Social Media Activity |
|---|

To be forwarded upon completion

| | | |
|---------------------|-------------|-------------|
| <u>Website Hits</u> | 2013 | 2012 |
| April | | |
| May | | |
| June | | |
| Totals | | |

| | | |
|-------------------------|-------------|-------------|
| <u>Website Visitors</u> | 2013 | 2012 |
| April | | |
| May | | |
| June | | |
| Totals | | |

| | | |
|--------------------------|-------------|-------------|
| <u>Media Impressions</u> | 2013 | 2012 |
| April | | |
| May | | |
| June | | |
| Totals | | |

| | | |
|---------------------------------|-------------|-------------|
| <u>Free Advertising Dollars</u> | | |
| <u>Leveraged</u> | 2013 | 2012 |
| April | | |
| May | | |
| June | | |
| Totals | | |

| | | |
|---|-------------|------------------|
| Social Media – 2nd Quarter Totals | 2013 | 2012 |
| Facebook | | |
| ○ New Likes | 3050 | 2560 |
| Twitter | | |
| ○ New Followers | 509 | 376 |
| Blog | | |
| ○ Page Views | 23,826 | 19,472 |
| Instagram | | |
| ○ New Followers | 571 | 497 |
| Pinterest | | |
| ○ New Followers | 224 | (started 4/2012) |

Proposed 2013 Third Quarter Image & Communications Activities

- Continue to refine social media features
- Mail Spring Summer 2013 Newsletter
- Continue BID Renewal activities

SPECIAL PROJECTS

Design Phase Underway for Los Angeles St. Streetscape Project

Grant funding from the Metropolitan Transit Authority (MTA) has finally become available for the Streetscape Improvement Project on Los Angeles Street between 7th Street and Olympic Blvd. The LA Fashion District Business Improvement District is working with the City of Los Angeles Bureau of Engineering (BOE) to develop design options for approval by property owners and the community. When completed the design options will be presented at a public meeting for comment. One option being considered is decorative sidewalk paving at intersections and mid-street pedestrian crossings. The BID and BOE are putting plans in place to visit the basements of buildings in those areas to determine if the sidewalk construction is possible.

2013 Call for Projects

We worked in partnership with the Bureau of Engineering to resubmit an application for a \$1.9 million streetscape improvement project to the Metropolitan Transit Authority for Phase 3 that will encompass Pico to San Pedro to Washington Blvd. Award announcements are expected in July 2013.

Parking App in Racked LA and California Apparel News

The LA Fashion District Parking App was featured on this popular website that is a favorite of shoppers and fashionistas. The Parking App allows visitors to find parking, locate their car, and also provides access to the Searchable Directory of stores in the district

Proposed 2013 Third Quarter Special Projects Activities

- Continue to work toward launch of Parking Apps.
- Continue work on MTA2 Streetscape Improvement Design phase.

ATTACHMENTS

- 1 2nd Quarter Financial Summary
- 2 2012 Annual Property Owner Report
- 3 BIDLINES newsletter: 2013 Spring-Summer edition

LA FASHION DISTRICT BID**Summary of Un-Audited Financial Information**For the 6 Months Ending on June 30, 2013

| | YTD Actual ¹ |
|-----------------------------------|-------------------------|
| ASSETS | |
| Total Current Assets | \$ 3,220,355 |
| Net Property and Equipment | 92,078 |
| Total Assets | <u>3,312,433</u> |
| LIABILITIES AND NET ASSETS | |
| Current Liabilities | 1,358,240 |
| Retained Earnings | 1,944,135 |
| Net Revenue / (Loss) YTD | 10,059 |
| Total Liabilities and Net Assets | <u>\$ 3,312,433</u> |

| | YTD Actual ¹ |
|---|-------------------------|
| BID REVENUES | |
| Assessments - Current Year | \$ 1,570,853 |
| Assessments - Collection of Prior Years' Unpaid | 4,739 |
| Assessments - Penalties, Interest | 2,247 |
| Other Revenue ² | 59,710 |
| BID Revenues (current year) Sub-Total | <u>1,637,549</u> |

| | |
|---|----------------|
| OVERLAYS | |
| North Santee Alley Overlay ¹ | 151,831 |
| South Santee Alley Overlay (pass-thru) | 250,560 |
| Overlays Sub-Total | <u>402,391</u> |

| | |
|------------------------------|------------------|
| <u>TOTAL REVENUES</u> | <u>2,039,941</u> |
|------------------------------|------------------|

| | |
|---|------------------|
| BID EXPENSES | |
| Clean and Safe Programs | \$ 1,259,356 |
| Image and Communication | 73,720 |
| Special Projects | 77,712 |
| Administration | 94,621 |
| City Fees, Depreciation, Bad Debt Allowance | 80,969 |
| BID Renewal | 41,113 |
| BID Expenses Sub-Total | <u>1,627,491</u> |

| | |
|---|----------------|
| OVERLAYS EXPENSES | |
| North Santee Alley Overlay ³ | 151,831 |
| South Santee Alley Overlay (pass-thru) | 250,560 |
| Overlays Expenses Sub-Total | <u>402,391</u> |

| | |
|------------------------------|------------------|
| <u>TOTAL EXPENSES</u> | <u>2,029,882</u> |
|------------------------------|------------------|

| | |
|--------------------|------------------|
| NET REVENUE | <u>\$ 10,059</u> |
|--------------------|------------------|

Note 1: On accrual basis; current year billed assessment revenue is equally accrued over the 12 months of the year

Note 2: YTD actual includes \$36,750 from South Santee Alley for providing Cleaning, Safety Supervision, & Social Media Svcs

Note 3: For presentation purposes this figure includes these re-allocated costs: \$30k from Cleaning, \$3k from Safety and \$3,750 from I&C



LA Fashion District Business Improvement District

2013 Activity Reports

Third Quarter

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I Third Quarter Activities

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- Image & Communications Programs
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- Proposed 2013 Fourth Quarter Activities

II Attachments

- 1 3rd Quarter Financial Summary**
- 2 BIDLINES newsletter: 2013: Summer-Fall edition**

2013 OPERATING BUDGET SUMMARY

The total improvement plan budget for the 2013 Fashion District BID is \$4,182,370.

FINANCE

2014 Budget Preparation

Program and service budgets were prepared for Committee review and approval.

Safe Team Salary Increase

Salary increases took effect on July 1, 2013. Increases were approved by the Board of Directors at their meeting on May 23, 2013.

Proposed 2013 Fourth Quarter Finance Activities

- Board approval of 2014 Budget
- Preparation and Board approval of 2014 Planning Report
- Obtain General Benefit Portion of the 2014 Budget (\$89,000) from the City of Los Angeles

PUBLIC SPACE MANAGEMENT ACTIVITIES

| | | |
|---------------------------|--------------------|--------------------------|
| 2013 Annual Budget | \$2,721,350 | 65% of the budget |
|---------------------------|--------------------|--------------------------|

This portion of the budget is allocated to all Clean & Safe Program Services.

PUBLIC SPACE SAFETY PROGRAMS

Third Quarter Contact Summary

BID Safe Team officers conducted 5,725 **Citizen Assist** events during the 2013 3rd Quarter and made 44,822 **Contacts** with merchants, members of the public, and property owners.

Disorderly Conduct saw an increase in activity with 1,630 total incidents recorded compared to 1,384 incidents recorded in the 2012 3rd Quarter. **Drinking in Public** and **Trespassing** incidents increased significantly.

Illegal Vending totals increased compared to 3rd Quarter 2012 records.

Unlawful Lodging increased significantly from 405 in the 1st Quarter 2012 to 1,164 recorded during the current quarter.

Robbery / Vandalism also increased with 186 incidents recorded over 65 incidents during 3rd Quarter 2012 compared with 300 incidents recorded during the current quarter. 14,643 **Location Checks** for crime prevention were conducted compared with 11,979 checks conducted in 3rd Quarter 2012.

Changes at the Los Angeles Police Department

LAPD Central Division Captain Frank was promoted to Commander. The new Central Division Captain is Michael Oreb. SLO-Linton is on maternity leave and replaced by SLO Karen Owens.

New Patrol Vehicle Added

The Operation Committee agreed to recommend augmenting the Safe Team with two additional Night Vehicle Patrol Officers and another vehicle to help monitor the increasing nighttime activity in the district.

Parking Operators Aggressive Tactics Addressed

Parking Operators with flags are blocking and diverting traffic into their lots. LAPD and the City Attorney are working together to issue more citations and conduct arrests.

Clean & Safe Teams Work Together to Prevent Car Vandalism

We doubled up on Safe Team coverage during the week of July 15th to address possible protests on the outcome of the Trayvon Martin case. There were no major incidents in the LA Fashion District. As a result of extra coverage the evening shift BID officers worked in unison with the Clean Team to arrest a suspect seen breaking into a car. We conducted our investigation and noticed 2 vehicles had been broken into. LAPD was notified. LAPD conducted their investigation and the subject was transported to Central Division.

LAPD Central Reports Increase in Thefts of Unattended Property

SLO Linton reported on activities in the LA Fashion District at the Operations Committee meeting on July 16, 2013. Thefts of unattended property (cell phones, etc) are increasing. SLO Linton is going door to door asking merchants and employees to stow their personal items out of sight. If a theft occurs SLO Linton encourages people to file a report with the LAPD. This ensures the theft goes on record and also helps LAPD dispatch appropriate resources to areas needing extra patrols.

Suspected Illegal Pet Vendor Ringleader Taken Into Custody by BID Officers

On July 20, 2013 BID officers were assisting a shopper in trying to find her vehicle in the 1100 block of S. Maple Street. The officers entered the elevator leading to a parking lot and saw illegal pet vendor Juan Mena inside the same elevator with a stack of 4 caged bunnies. The suspect had a warrant out for his arrest because he failed to appear in court to face previous charges.

BID officers immediately took him into custody and called the Los Angeles Police Department. The Alley Officers responded as did other BID Safety officers and Mena was taken into custody by LAPD Newton officers. Mena tried to use a fictitious name to avoid arrest however BID officers contacted SLO Linton (who was on vacation) and she confirmed Mena's identity for arresting LAPD Newton Division officers. Mena is due back in court this week.

National Night Out

The annual event took place on August 6 in Little Tokyo and provided an opportunity for attendees to talk to Central Area police officers and officials about the neighborhood. The street fair drew hundreds to see demonstrations in self-defense, and SWAT and Bomb Squad setups, while enjoying live music and food truck fare. Kudos to BID Board Member Hilda Jimenez and BID Ops Director Randall Tampa for their work to help make the event a success!

Downtowns and Growing Night Time Scenes

On August 8, 2013 we were contacted by senior officials from downtown Riverside to talk about how the LA Fashion District is dealing with the increased night time activity that comes from a growing restaurant and entertainment scene. We encouraged officials to get involved with new businesses in the permit stage in order to review security plans and make recommendations that effectively manage traffic and late night activity.

New Steps to Help Eliminate Counterfeit Sales

BID staff met with the LAPD, private investigators, and several property owners to discuss various efforts to eliminate counterfeit sales in the LA Fashion District.

Proposed 2013 Fourth Quarter Public Safety Activities

- Continue education information for property owners on their responsibilities for discouraging illegal activities by tenants on their premises, and to comply with clean sidewalk codes.
- Continue to act as liaison to direct homeless populations to service organizations.
- Address illegal vending and pet sales in the district.
- Increase the number of evening patrols (additional officers)

PUBLIC SPACE CLEAN PROGRAMS

The Fashion District BID clean programs deal with improving the public environment by providing graffiti removal, sidewalk and alley cleaning, street trash removal, tree trimming, weeding and poster removal.

Clean Team Anniversary

To mark the one year anniversary LA Fashion District BID staff and Chrysalis senior staff met for a performance review of clean team service delivery to the 100 block district. Chrysalis took over the contract last year and we're pleased to report they are doing a great job.

It is also the one year anniversary for Elmer Pacheco, the BID's Field Supervisor, who works hard to ensure that we receive every benefit from the Chrysalis contract. Elmer is also taking service to the next level by dedicating special attention to the numerous details and problems that occur daily in our busy neighborhood. Thank you Elmer!

Central Clean Up

When Captain Horace Frank called for help in July with removing feces from the front of LAPD Central Division the Clean Team did the job. Captain Frank commended the LA Fashion District for their willingness to take on the all too frequent job of removing fecal matter from store fronts, city sidewalks, and now Central Division. Many thanks Clean Team for helping reinforce our outstanding partnership with LAPD!

Alley Clean Up

The BID and Bureau of Sanitation worked together to clean up four alleys on Main Street and Wall Street between 11th and 12th Streets and the alley on San Julian and Wall Street between 9th and Olympic in July. These alleys are constantly cluttered by illegal dumping, plastic garment bags, feces and trash. Merchants were asked to contact the BID Field Office if they see illegal dumping taking place.

Copper Wire and Pipe Thefts Increasing

Miguel Vargas, Council District 14 has very effectively worked to secure repairs for a significant increase of copper wire thefts have been occurring in the City's street lighting system in the LA Fashion District. Unfortunately buildings are now increasingly being vandalized for copper wire and pipes. Property owners and merchants were asked to call 9-1-1 immediately if they observe a building or wire theft in progress or see any suspicious activity around city streetlights or buildings. They were also reminded to secure the premises of their property to discourage vandalism. Thank you Miguel!

Graffiti Removal

2013 Third Quarter graffiti removal records show a significant compared to 2012.

| <u>Graffiti Removal – 3rd Quarter</u> | 2013 | 2012 |
|---------------------------------------|-------------|-------------|
| July | 1326 | 606 |
| August | 1447 | 538 |
| September | 1018 | 225 |
| Total | 3791 | 1369 |

Trash Tonnage

In the Fashion District, Trash Tonnage has always served as a leading economic indicator. For example, when Lehman Brothers filed for bankruptcy in 2008, trash tonnage in the district fell by 18%.

As of June 2013 the BID is now disposing of an additional 1,000 pounds per day compared to 2012.

As of the 3rd Quarter 2013 trash tonnage has increased 8.5% over last year's records. 29,485 trash bags were used during the third quarter.

| <u>Trash Tonnage– 3rd Quarter</u> | 2013 | 2012 |
|-----------------------------------|-------------|-------------|
| July | 175 | 162 |
| August | 180 | 165 |
| September | 165 | 147 |
| Total | 520 | 474 |

Sidewalk Cleaning

5,902,282 square feet of district sidewalks were cleaned during the third quarter using scrubbing and pressure washing equipment.

Proposed 2013 Third Quarter Public Clean Activities

- Continue to work to educate property owners and merchants about appropriate trash collection procedures.

ADMINISTRATION, IMAGE & COMMUNICATIONS, SPECIAL PROJECTS ACTIVITY

2013 Annual Budget

\$594,400

15% of the Overall Budget

This portion of the annual Fashion District BID budget includes all Administration, Image & Communications, and Special Projects service programs. The remaining budget is allocated to City Fees, Depreciation, Uncollected Revenue, and the North and South Alley Overlays.

ADMINISTRATION PROGRAMS

GOVERNANCE

Over 86% in Favor to Renew the LA Fashion District BID

Ballots are in and we are very delighted to report the weighted ballot results for the renewal of the Fashion District BID are 86% in favor of renewing the BID for a 5th Term.

General and special benefit is still an issue. The Fashion District must seek \$90,000 from revenue outside of BID assessments to cover general benefit costs. The City of Los Angeles is reviewing the possibility of making this contribution from their General Revenue budget.

Board Member Elections

Four Board Members were appointed to oversee the 2013 Election of 5 new Board Members. Six property owners or property owner representatives submitted applications to become candidates. All met the qualifications set out in the Fashion District Bylaws. Ballots will be mailed in November to all property owners in the district and election results announced at the December 12th Board of Directors meeting.

ADVOCACY

Assistance Requested from CD 14 for Securing Entrances to Santee Alley

On August 8, 2013 we requested assistance from Council District 14 regarding safety concerns in Santee Alley. This request comes in light of the tragic event on Ocean Front Walk in Venice where a vehicle gained access to the boardwalk, killing one person and injuring a number of other pedestrians. The City needs to ensure we are doing everything possible to protect pedestrians using the Alleys

Long ago there were pylons which prevented vehicles from accessing Santee Alley. Holes for pylons are still in place at both North Alley entrances but the covers for these holes are not in good shape (see pictures of North Alley covers attached). When opening the pylon cover hinges, three of the hinges broke due to the rusty old metal. On one of the pylon cover plate on the Olympic St. side was missing the cover plate but there was a piece of wood covering the hole.

The Clean team and the BID Clean Team Supervisor Elmer Pacheco were able to clean the pylon holes in the North Alley and tested them to be sure they locked. We are working to get those pylons operational and plan to install them as soon as possible.

The South alley only has pylon holes installed at 12th Street. There are no holes at the 11th Street entrance to the South Alley. The South Alley will require construction work to install pylon holders at this alley entrance and source new pylons. We are working to reinstall pylons at all entrances to Santee Alley.

BIDs Meet with Jan Perry

Jan Perry was recently appointed by Mayor Garcetti to be the City's new Economic Development Department Interim Director. The department will also oversee BIDs in Los Angeles effective January 1, 2014. Jan wants to continue to work closely with the BIDs to continue revitalizing business districts and neighborhoods.

BID Day at City Hall

On Thursday, September 26th a delegation of members from regional Business Improvement Districts (BIDs) met with Councilmembers and their staffs at their City Hall offices and Field offices. At each meeting we discussed issues that affect all BIDs and specific problems impacting individual BIDs. More meetings are planned in the coming months to visit with Councilmembers who could not be available on September 26th. BID Board Members Darlene Kuba and John Van Den Akker attended several meetings.

Presentation on Exclusive Waste Franchise System

Martin Schlageter, Council District 14 Policy Director, and, Daniel Meyers, Bureau of Sanitation Project Manager, presented information about the Exclusive Waste Franchise System. Board Members were encouraged to contribute comments for the Request for Proposal to be released mid-2014. Martin Schlageter, Council District 14, and Daniel Meyers, Bureau of Sanitation, attended the BID Board of Directors meeting on September 12th to present information about the process for implementing the Exclusive Franchise Waste Hauling System. They are working to prepare the Request for Proposal (RFP) to issue to waste hauling companies and are urging property owners, merchants and residents to tell them about their waste hauling and recycling needs. More comments and requests will help them prepare a better RFP.

Broadway Dress Rehearsal

The LA Fashion District Business Improvement District (BID) is working with coordinators of the Broadway Dress Rehearsal Project to implement Streetscape Improvements on Broadway between 1st Street and Olympic Blvd. A segment of the project lies within the LA Fashion District BID boundaries on Broadway between 9th and Olympic.

On September 12, 2013 we met with organizers to discuss proposed painted curb extensions, parking and loading changes, as well as bus stop realignments on Broadway. Property owners were asked to submit comments. Several owners are concerned about bus stops in front of their property and parking meters at entrances to entertainment and hotel venues.

Negotiations also took place on a Memorandum of Understanding which detailed BID responsibilities to clean this new area. The City will reimburse BIDs for these services.

Tax Amnesty

The annual program runs through December 2, 2013 and was announced in the BID's weekly email newsletter.

Streetcar Funding

Recent media stories state insufficient funds for this project while a press release from Councilman Huizar, CD 14, states that costs are expected to be much lower than reported.

St Vincent Alley

Business owner advocate Sid Maksoudian has stated he will launch a formal complaint against the Fashion District in order to protest the removal of restaurant chairs and tables in St Vincent Alley. BID Executive Director Kent Smith encouraged Maksoudian to seek support from the community instead of launching a negative approach to resolving their problem.

BIDs Efforts on the State Level

On August 13, 2013, BID Executive Director Kent Smith attended the Board meeting of the California Downtown Association (CDA) in Sacramento. Smith is also the CDA Treasurer.

As well as finalizing the plans for the CDA Annual Conference, they discussed the status of several bills that are before the State Legislature and efforts underway to amend Proposition 13. One of CDA's most important accomplishments this year was stopping AB-5, the "Homeless Bill of Rights" bill which would have made BID Clean & Safe Teams much more vulnerable to litigation. CDA Board Members also met with Assembly Member Roger Dickenson (D-Sacramento) to thank him for his help in stopping AB-5 and also discuss the future of economic development efforts at the State level. CDA is working with the California Business Property Owners Association and maintains a presence in Sacramento to comment on the large array of bills currently being debated there.

Minimum Wage Increase

Governor Brown signed a bill to raise the minimum wage to \$9/hr in 2014. We are able to manage these increases within the 2014 Maximum Allowed Budget.

Governor Signs New Economic Incentive Bills

Governor Brown signed new bills aimed at revamping the state's incentives for economic development. Last month enterprise zones were phased out to make way for a new approach. [AB93](#) and [SB90](#), will extend a sales tax exemption for manufacturing and research-and-development equipment for eight years, provide hiring credits, tax credits to encourage businesses to expand and retain jobs in California.

City Attorney Discusses Lavan Case

The city lost the Lavan vs the City of Los Angeles case at the Court of Appeals which upheld the opinion that personal effects left unattended on the public sidewalk are constitutionally protected.

City Attorney Mike Feuer met with BIDs, LAPD, service organizations, other city departments, as well as the plaintiffs Carol Sobel and LA CAN, to talk about the case and discussing providing adequate storage for homeless individuals to keep their belongings off the streets.

Progress Report on Home for Good Program

The Los Angeles Business Journal (LABJ) featured a commentary by the Co-Chairs of the Business Leaders Task Force on the Home for Good Program that is now at the 2 ½ year mark of a 5 year effort to end homelessness in LA. The challenges continue to be daunting but there are plenty of reasons to celebrate the success of this remarkable coalition of regional partners. Kent Smith sits on the Task Force.

Homeless Effort Shows Results

A new computerized data gathering and management system is working to place homeless in housing. The pilot project was pioneered by Project 50, an effort to house 50 of the county's most intractable street dwellers. Project 50 was developed under the auspices of Home for Good, an initiative of United Way of LA and the Los Angeles Area Chamber of Commerce. LA Fashion District BID Executive Director Kent Smith served on the original task force that created the plan.

2013 Homeless Count

On July 1st the 2013 Homeless Count numbers were released. The great news is there is a substantial decrease in Veteran homelessness. This comes in no small part to the community's work through Home For Good, the housing first program developed by the United Way and the LA Chamber of Commerce. Unfortunately, we

also see an increase in overall homelessness and chronic homelessness, for several reasons including the economy, early prison releases and new counts of “hidden” homeless. The press releases are attached.

MY FIG Final EIR Released and Approved by LADOT

The Final Environmental Impact Report (EIR) for the Figueroa Streetscape Project was released with findings on the project that will include construction of bike ways on Figueroa from 7th Street to Martin Luther King Jr. Blvd., and 11th Street between Broadway Blvd. and Figueroa St.

The LA Department of Transportation (LADOT) released a Determination Letter and Notice of Determination approving the the Figueroa Streetscape Project that includes 11th Street between Broadway and Figueroa. An appeal was filed by a property owner in September.

New Bike Lane Installation on 11th St.

The LA Fashion District has a new bike lane installation on 11th Street. The lane striping starts at Wall Street and extends west to Broadway. The installation is part of the adopted 2010 Los Angeles Bicycle Plan Implementation Strategy.

Bike Lane Plans for 7th Street

The Los Angeles Department of Transportation (LADOT) is planning to re-stripe 7th Street to add bicycle lanes between Figueroa Street and Main Street, as part of the adopted 2010 Los Angeles Bicycle Plan Implementation Strategy. The Plan calls for one lane of traffic in each direction, a continuous center left turn lane, bicycle lanes and retention of existing on-street parking.

We are pleased that LADOT plans to preserve parking between Spring & Main Streets (bike lanes do not go east of Main) and the introduction of the left hand turn lanes at Main & Spring in the LA Fashion District. At a meeting on June 28 we learned that the 7th Street Bike Lanes Project is going ahead as planned.

State Approves Plan for Spring Street Bike Lane

The California Traffic Control Devices Committee approved a City Council-endorsed plan to modify the design of the green Spring Street bike lane. Film producers and cycling advocates compromised.

Bus Stop Repairs

The Bureau of Street Services (BSS) repaired the bus stop landing pad on the west bound lane at 7th Street / San Julian Street on Saturday June 22 and the east bound lane at 9th Street / Maple Avenue on Saturday June 29. One travel lane at each location was closed for 3 days to allow time to pour and cure new concrete. The repairs, including new curbs and gutters, will not remove parking spaces as the bus stops already exist. The BID Safe Team distributed flyers to merchants in the affected areas.

Congestion Mitigation Fee Shelved

On June 6, 2013 the Los Angeles County Metropolitan Transportation Authority (Metro) voted to shelve the Congestion Mitigation Fee (CMF) proposal, as Metro staff reviews legislative options to determine whether the Congestion Mitigation Program (CMP) is still an appropriate transportation tool aligned with our state and regional objectives.

This comes after a 60 day continuance and the business community's objections to Metro's proposed CMF. If adopted, the CMF would have required cities throughout the county to adopt an ordinance establishing a fee on all new development.

Express Park Updates for June/July 2013

In June LADOT updated parking meter rates throughout Downtown Los Angeles and extended time-of-day rates. Overall, rates are staying about the same, but the average rate is decreasing at 3.7% of the Downtown spaces and increasing at 4.3% of them. There were no rate changes for July.

LA Express Park Program Extended to 2014

The Mayor and City Council extended the LA Express Park program for a second year through June 2014.

Starting August 5th LADOT made several changes to the meter pricing in the Fashion District based on the most recent usage data. No changes are anticipated for September.

Developing a New Zoning Code

The City is launching re:code LA, the first comprehensive update to the city's Zoning Code since 1946. The new Zoning Code will include clear, predictable language and offer a wider variety of zoning options to more effectively accommodate L.A.'s changing needs and to establish a vision to position the city for the 21st century. Re:code LA is a key component of the city's Development Reform Strategic Plan. The first deliverable will be the Downtown Development Code, expected in the next 18 to 24 months. BID Staff attended a meeting on July 10, 2013 to learn more about development of the New Zoning Code.

Council Adopts Mural Ordinance

On August 28, 2013 the City Council voted to adopt a new private property mural ordinance in the city, ending an 11-year ban that limited where artists could create the expansive outdoor pieces. Council District 14 (CD 14) is taking the lead role in the effort to revise the mural ordinance. For specific information please contact CD 14 Planning Director Tanner Blackman (213) 473-7014.

LADWP Water Recycling Project to Impact Broadway and 16th Street

The LADWP issued a notice to property owners on Broadway regarding the Mitigated Negative Declaration (MND) for the Elysian Park –Downtown Water Recycling Project (WRP). The purpose of the project is to bring recycled water from a holding tank in Elysian Park to key downtown and neighboring businesses to use for landscaping and industrial purposes. Agreements have already been signed by a number of large water users such as USC to use this recycled water. This will reduce the need for water from the Colorado River system and the Sierras as both have growing constraints on the volume LA can use in the future.

The 16- inch waterline along Broadway and 16th Street through the entire Fashion District is Phase 2 of the project with a target date for construction starting Fall of 2018 and continuing for 30 months (2.5 years) until 2021. The waterline would be installed by digging a 2.5' wide by 5' deep cut & cover trench.

Consultants for the LA Streetcar project have already expressed concern about the potential conflict between these two projects on Broadway. They will be submitting comments on the MND.

Deadline to submit written comments to LADWP was September 16, 2013

ECONOMIC DEVELOPMENT

170+ Residential Units in Final Stages of Approval

We attended a meeting this week where developer Capital Foresight presented two residential projects coming online in the LA Fashion District. They are proceeding initially with an adaptive reuse project at 217 E 8th Street that will feature 77 one bedroom and studio units and a similar project of 96 units is planned for 819 Santee Street.

Style Fashion Week LA

On Wednesday, August 8, 2013 LA Fashion District BID staff met with the organizers of Style Fashion Week LA to discuss their upcoming fashion show and potential partnership opportunities with the Fashion District.

Website and Parking Apps Ready for October Apparel Markets

The International Textile Show launched a month long series of markets and events in the LA Fashion District. Market Week attracts thousands of national and international wholesale buyers to the California Market Center, The New Mart, Cooper Design Space, the Gerry Building, Lady Liberty Building and Academy Awards Clothes to purchase "California style" for their stores.

We've updated our website www.fashiondistrict.org lines directories and the free parking app for Android is now available to help buyers find parking, services, restaurants and stores throughout the LA Fashion District.

CicLAvia Sponsorship

Coordinators of the popular street closure event asked for Fashion District sponsorship of the Heart of LA event scheduled for Sunday, October 6th. The route will enter the Fashion District on 7th Street, Spring Street and 9th Street. BID Board Members approved the free sponsorship.

KAMA Hosts Apparel Trade Show in LA

The Korean American Manufacturers Association (KAMA) hosted their first industry only Los Angeles Apparel Show (LAAS) from September 9 to 11, 2013. The third and final day is an open to the public sample sale. Venue : California Market Center (CMC) Penthouse.

Terroni Opens for Business

Upscale Italian restaurant Terroni opened for business on 8th and Spring Streets the week of July 18th. The long-awaited restaurant boasts a red leather ceiling and a suspended sculpture modeling the Autodromo Nazionale Monza.

LA Fashion District's Alma Restaurant Named Bon Appétit's Best New Restaurant of the Year

Bon Appétit has named Alma the [Best New Restaurant in America](#). Andrew Knowlton compared his experience at Alma to that of a teenage boy on his first date. "At Alma, I'd experienced something special-that unique moment when potential meets skill and anything seems possible. I saw a star born," he said. The story is attached.

Proposed 2013 Fourth Quarter Administration/Advocacy/Economic Development Activities

- Continue to advocate for the Fashion District BID.
- Continue BID Renewal activities.
- Finish installation of pylons at all entrances to Santee Alley.

IMAGE AND COMMUNICATIONS

The LA Fashion District BID Image & Communications programs are developed to create a positive image for the District based on the positive changes that take place. Programs are designed to attract new investors and customers to the District as well as attract City investment to the District.

Business Survey Results Posted on Website

The LA Fashion District Business Improvement District (BID) completed business survey of the district earlier this year and it is now available on the LA Fashion District website. We estimate there are currently over 3,600 businesses operating in the Fashion District, not including those in our showroom buildings. Survey results

show there are approximately 75 private parking lots throughout the district, which can be located using the new LA Fashion District Mobile App. There are 305 vacant or for lease street-level spaces representing less than .1% of total business space in the district.

New Responsive Design for Website and Mobile Devices

The Image and Communications Committee met on September 10, 2013 to discuss and retain a company to update the website with a responsive design platform for all mobile devices. Members recommended retaining the Ocean Group to develop the new platform and update the graphics. Work began immediately with the new website launch planned for December 2013.

BIDLINES Newsletter

The 2013 3rd Quarter Summer-Fall edition newsletter will be mailed to all owners in the district in October 2013. The Safe Team will hand deliver the newsletter to merchants. See Attachment.

International Visitors Welcomed at the LA Fashion District

On Saturday, July 27 we worked with the International Visitors Council of Los Angeles to host a group of African women entrepreneurs who are professionals in the fashion and textile industry. They were invited by the U.S. State Department to participate in the "African Women's Entrepreneurship Program", which seeks to introduce participants to tools and opportunities that can accelerate the growth of their businesses, promote their role as leaders in their communities, and drive further social economic progress in their countries.

Made in Manhattan Documentary

On Friday, August 23, LA Fashion District BID Executive Director, Kent Smith was interviewed for an upcoming documentary titled "Make it in Manhattan & the USA". The documentary focuses on the current state of garment manufacturing in the U.S. The documentary is scheduled to be released in 2014.

PUBLICITY

Ace Hotel

Ace Hotel, the first hotel in the LA Fashion District, is scheduled to open this fall in the old United Artists Theatre building on Broadway and a tipster (that's us) in the Fashion District with a powerful lens sent in a photo showing the building's tower all freshly scrubbed clean. The 13-story UA office building was designed by Walker & Eisen.

A Designer's First Line Successfully Debuts in the LA Fashion District

On July 8, 2013 the Los Angeles Business Journal published a story about how a new designer navigated the often difficult business side of the apparel industry. The story is attached.

Parking App and Map Guide Press Release Distributed

We've received great coverage from several media sources after announcing the BID's new navigation tools. California Apparel News, Curbed LA, and Racked LA all carried detailed stories about the new technology.

LA Focused Fashion Incubator Opens on Los Angeles Street

[Factory LA](#), a for-profit fashion incubator, focused on Los Angeles based designers and manufacturing opened in July at 840 S. Los Angeles St.

Drive In Movies at City Market a Success

The Electric Dusk Drive In at the City Market sold out for every movie through summer.

Pattern Bar and Sunday Sessions at Grand Park

Angelinos are enjoying the best in electronic music performance carefully curated by Eduardo Castillo from The Eclectech, Castillo brings the beautiful soaring sounds beats of local and international DJs and producers to the heart of Downtown LA. Eduardo Castillo is owner of the famed Pattern Bar located at the corner of 9th and Spring Streets in the LA Fashion District. Happening every last Sunday of the month all summer long. Grand Park Sunday Sessions are also featuring food trucks and cocktails by Pattern Bar.

Santee Alley Featured in Racked LA

Taken from a page in the Alley website – on August 15, 2013 Racked LA told readers everything they need to know about shopping here. Racked LA is part of a national blog that posts everything about retail and shopping—from sidewalks to catwalks—in the country's most influential fashion centers.

Santee Alley Featured on Univision

The Santee Alley is featured on Primer Impacto, a Spanish-language television news program broadcast by Univision weekdays at 5 p.m. The news program has a weekly fashion segment called "A la moda con Jomari". This show is one of the most watched on Univision, and helps the alley secure 2,200,000 impressions per segment. Just this month, Santee Alley has been featured three times. The LA Fashion District BID has a working relationship with the producer of the segment which has enabled us to secure such great coverage for the alley.

Website / Social Media Activity

Social Media activity records are being tracked from January 2011. We added Instagram and Pinterest to our social media tools and will track those visits starting February, 2012. Instagram allows us to post photos of the LA Fashion District that visitors can Like and Share. Pinterest is a pinboard-style social photo sharing website that allows users to create and manage theme-based image collections. Like Instagram, users can share their photos with other Pinterest users or through other social media channels.

| |
|--|
| 2013 Third Quarter Media Impression, Website Hit, Website Visitor, Social Media Activity |
|--|

| <u>Website Hits</u> | 2013 | 2012 |
|--------------------------|------|------|
| April | | |
| May | | |
| June | | |
| Totals | | |
| <u>Website Visitors</u> | 2013 | 2012 |
| April | | |
| May | | |
| June | | |
| Totals | | |
| <u>Media Impressions</u> | 2013 | 2012 |
| April | | |
| May | | |
| June | | |
| Totals | | |

| | | |
|--|-----------------|-----------------|
| <u>Free Advertising Dollars</u> | | |
| <u>Leveraged</u> | 2013 | 2012 |
| April | | |
| May | | |
| June | | |
| Totals | | |
| <u>Social Media – 3rd Quarter Totals</u> | 2013 | 2012 |
| Facebook | | |
| ○ New Likes | 2506 | 4114 |
| Twitter | | |
| ○ New Followers | 420 | 423 |
| Blog | | |
| ○ Page Views | 27,508 | 19,153 |
| Instagram | | |
| ○ New Followers | 540 | 351 |
| Pinterest | | |
| ○ New Followers | 391 | 60 |

Proposed 2013 Fourth Quarter Image & Communications Activities

- Develop new website
- Continue to refine social media features
- Mail Summer-Fall 2013 Newsletter
- Publish Fall-Winter 2013 Newsletter

SPECIAL PROJECTS

Streetscape 3 Funding Appeal Denied

METRO voted not to fund the LA Fashion District Streetscape Phase 3 Pedestrian Improvement Project. We worked in partnership with the Bureau of Engineering to resubmit an application for a \$1.9 million streetscape improvement project to the Metropolitan Transit Authority for Phase 3 to encompass Pico to San Pedro to Washington Blvd. and connect the Fashion District with the only light rail line close by at the Blue Line Light Rail Station at Washington Blvd. We will continue to seek grant funding to complete the project.

MTA 2 Streetscape Design Phase

Grant funding from the Metropolitan Transit Authority (MTA) has finally become available for the Streetscape Improvement Project on Los Angeles Street between 7th Street and Olympic Blvd. The LA Fashion District Business Improvement District is working with the City of Los Angeles Bureau of Engineering (BOE) to develop design options for approval by property owners and the community. When completed the design options will be presented at a public meeting for comment.

One option being considered is decorative sidewalk paving at intersections and mid-street pedestrian crossings. BOE wants to visit the basements of buildings in those areas to determine if the sidewalk construction is possible. We arranged meetings with property owners and merchants to inspect basements.

Parking Apps Launched

The Android Parking App was launched in September 2013.

Proposed 2013 Third Quarter Special Projects Activities

- Continue to work on the MTA 2 Streetscape design phase.

ATTACHMENTS

| LA FASHION DISTRICT BID | |
|---|-------------------------|
| Summary of Un-Audited Financial Information | |
| For the 9 Months Ending on September 30, 2013 | |
| | YTD Actual ¹ |
| ASSETS | |
| Total Current Assets | \$ 2,924,217 |
| Net Property and Equipment | 108,736 |
| Total Assets | 3,032,953 |
| LIABILITIES AND NET ASSETS | |
| Current Liabilities | 1,000,030 |
| Retained Earnings | 1,944,135 |
| Net Revenue / (Loss) YTD | 88,788 |
| Total Liabilities and Net Assets | \$ 3,032,953 |
| | |
| | YTD Actual ¹ |
| BID REVENUES | |
| Assessments - Current Year | \$ 2,356,280 |
| Assessments - Collection of Prior Years' Unpaid | 35,061 |
| Assessments - Penalties, Interest | 12,488 |
| Other Revenue ² | 94,153 |
| BID Revenues (current year) Sub-Total | 2,497,982 |
| OVERLAYS | |
| North Santee Alley Overlay ³ | 227,747 |
| South Santee Alley Overlay (pass-thru) | 250,580 |
| Overlays Sub-Total | 478,307 |
| TOTAL REVENUES | 2,976,289 |
| BID EXPENSES | |
| Clean and Safe Programs | \$ 1,849,898 |
| Communication | 126,300 |
| Special Projects | 121,134 |
| Administration | 146,524 |
| City Fees, Depreciation, Bad Debt Allowance | 121,097 |
| BID Renewal | 41,219 |
| BID Expenses Sub-Total | 2,406,174 |
| OVERLAYS EXPENSES | |
| North Santee Alley Overlay ³ | 227,747 |
| South Santee Alley Overlay (pass-thru) | 250,580 |
| Overlays Expenses Sub-Total | 478,307 |
| TOTAL EXPENSES | 2,887,481 |
| NET REVENUE | \$ 88,788 |
| Note 1: On accrual basis, current year billed assessment revenue is equally earned over the 12 months of the year. | |
| Note 2: YTD actual includes \$15,125 from South Santee Alley for providing Cleaning, Safety Supervision, & Security. | |
| Note 3: For presentation purposes this figure includes these re-allocated costs: \$45k from Cleaning, \$4.5k from Saf | |

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BIDLINES2013.summ
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BIDLines – Third Quarter Newsletter



LA Fashion District Business Improvement District

2013 Activity Reports

Fourth Quarter

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ADULTS & YOUTH
SERVICE DIVISION

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I Fourth Quarter Activities

Finance

Public Space Management Activity

- Public Space Safety Programs
- Proposed 2014 First Quarter Activities
- Public Space Clean Programs
- Proposed 2014 First Quarter Activities

Administration and Advocacy

- Administration
- Advocacy Programs
- Proposed 2014 First Quarter Activities

Image, Communications and Special Projects

- Image & Communications Programs
- Proposed 2014 First Quarter Activities
- Special Projects Programs
- Proposed 2014 First Quarter Activities

II Attachments

- 1 4th Quarter Financial Summary
- 2 BIDLINES newsletter: 2013: Fall Winter edition

2013 OPERATING BUDGET SUMMARY

The total improvement plan budget for the 2013 Fashion District BID is \$4,182,370.

FINANCE

2014 Budget Approved

At their meeting on November 14, 2013 the BID Board of Directors approved the 2014 Budget as recommended by the Finance Committee.

Office Lease Approved

At the Board Meeting on November 14, 2013 the Finance Committee reviewed and recommended renewal of the administration office lease at the California Market Center. Jaime Lee, the President of California Market Center did not attend either meeting. Members asked for a 120 day clause for terminating the lease in the event of the BID terminating. The Board of Directors approved the lease renewal with conditions

Proposed 2014 First Quarter Finance Activities

- Prepare for Annual Audit
- Obtain General Benefit Portion of the 2014 Budget (\$89,000) from the City of Los Angeles

PUBLIC SPACE MANAGEMENT ACTIVITIES

| | | |
|---------------------------|--------------------|--------------------------|
| 2013 Annual Budget | \$2,721,350 | 65% of the budget |
|---------------------------|--------------------|--------------------------|

This portion of the budget is allocated to all Clean & Safe Program Services.

PUBLIC SPACE SAFETY PROGRAMS

Fourth Quarter Contact Summary

BID Safe Team officers conducted 4,004 **Citizen Assist** events during the 2013 4th Quarter.

Welfare Checks decreased slightly from 996 during the 2012 4th Quarter to 806 during the current quarter.

Disorderly Conduct saw a decrease in activity with 1,419 total incidents record compared to 1,617 incidents recorded in the 2012 4th Quarter.

Trespassing incidents increased significantly.

Illegal Vending totals increased compared to 4th Quarter 2012 records.

Unlawful Lodging decreased from 1203 in the 4th Quarter 2012 to 1,542 recorded during the current quarter.

Robbery / Vandalism decreased from 190 incidents recorded in 4th Quarter 2012 compared with 116 incidents recorded during the current quarter.

Captain Mike Oreb Takes Over at LAPD Central Division

Captain Oreb attended the BID Board of Directors meeting on November 14, 2013. Oreb took the place of Captain Frank who was promoted. Oreb has worked 28 years on the force with several years in the LA Fashion District. Captain Oreb reported that Central Division is leading the city with a 12% crime reduction. He said BIDs are a force multiplier that is a critical component of crime control that is now missing in the former Arts District BID.

Captain Oreb encouraged contacts through Twitter and Facebook. He is interested in starting a monthly "Walk with the Captain" in the Fashion District and encouraged Board Members to attend the weekly Crime Control meetings at Central.

BID Operations Director Appointed to Animal Cruelty Task Force

Headed by LAPD's Animal Cruelty Task Force, Randall Tampa recently joined the newly formed 'Illegal Animal Sales Working group'. This working group was convened for the purpose of identifying and ridding Downtown of illegal animal vendors. The BID is the only non-public organization on the Task Force and recognized as a leading authority on dealing with animal cruelty issues

In addition to staff from the Animal Cruelty Task Force, personnel from Newton and Central Division, the City Attorney's Office and the Department of Animal Services were present for this first meeting.

On November 5, 2013 BID staff met with Mark Salazar, Director of Operations with the City's Animal Services Department. They are forming a task force to prominently patrol the area where mobile animal vendors congregate in the Fashion District. This will be a sustained effort that targets the weekends and is designed to deter the sale of animals in the Fashion District. We have offered them assistance in this effort including the use of our radios.

Zero Waste Plan EIR Released for Comments

The City of Los Angeles released a Notice of Completion (NOC) for the Draft Program Environmental Impact Report (Draft PEIR) on the Solid Waste Integrated Resources Plan (SWIRP), also known as the Zero Waste Plan. The NOC is to inform the public that the SWIRP Draft PEIR has been completed and is ready for public comment from October 31, 2013 to December 20, 2013.

SWIRP is a long-range plan to meet the City's solid waste management needs through 2030. The plan identifies various policies, programs, and facilities that will be needed to reach the City's goal of 90% landfill diversion by 2025.

BID staff members Kent Smith and Randall Tampa attended an outreach meeting on October 30, 2013 to address specific trash collection needs in the LA Fashion District. They emphasized three important requirements for inclusion in the RFP: (1) Allow the BID to continue collecting trash within the district boundaries, (2) Develop a strategy for dealing with the likely increase of illegal dumping before the new system is implemented, and (3) Don't underestimate the diversity of the neighborhood with our myriad of special waste collection needs.

Construction Challenges – Signage Repairs

- We worked with Council District 14 staff, to delay street work on Los Angeles Street during the recent Wholesale Fashion Market. Time Warner Cable delayed trenching work during the event and will be repairing the damaged intersection paving at 9th & LA Street.
- LAPD assisted us with addressing late night/early morning construction noise issues on Los Angeles & 8th Streets. The ordinance states that construction cannot be conducted between the hours of 9 pm and 7 am.
- Council District 14 staff is assisting us with signage repair at 9th and Santee – a car ran into the sign (second time this year) and we are working with LADOT to consider the possibility of installing pylons to protect the signage.

Santee Alley Pylons Installed

At the September Board Meeting we discussed the decision to reinstall safety pylons in the Alleys. We're happy to report the work has been completed.

Bike Lane Color Change

Bike lanes are being repainted to forest green stripe. According to filmmakers the current lime green color blocking is a visual disruption on shoots.

BID Safe Team Helps Put Out Metro Bus Engine Fire

On Tuesday morning at 5:00 am the BID Safe Team spotted a Metro bus belching smoke as it travelled down San Pedro. The BID Safe Team Supervisor, Ivan Garcia and Safety officer, Isiero Naranjo got the bus to stop and it was determined that there was an engine fire. They then helped to safely and calmly remove the passengers from the bus. The buses own engine compartment fire extinguisher was activated and the fire was put out. There were no injuries to report as a result of the observation and quick thinking of our Safety officers.

BID Safe Team Apprehends Vandalism Suspect

Saturday, December 28, 2013 @ 10pm BID Safe Team Officers Sgt. Garcia, and Officers Lovingood and Villegas were flagged down by a security officer who observed a person throwing a large size rock at a plate glass window. The BID officers saw the suspect, detained him and notified LAPD. Once LAPD arrived they determined the suspect would be transported for felony vandalism for the breaking of the windows.

The property owner commended the Safe Team Officer's fast action that demonstrates the excellent training provided by the LA Fashion District BID.

Surveillance Cameras are Up and Running

The BID worked with the Los Angeles Police Department (LAPD) to restore the surveillance cameras in the LA Fashion District. Central Division received a grant for \$385,000 from the Federal Government to repair surveillance cameras and improve the monitoring room. Work is complete and monitoring is ongoing.

Newton Division Addresses Illegal Swap Meet

On Nov 9th, LAPD Newton (Vice Unit) worked San Pedro between 14th and 11th to address the swap-meet like conditions that have been impacting businesses in the area. The Vice sergeant reported that they arrested and/or issued citations to almost 50 illegal vendors and confiscated a truck load of good that were left abandoned on the sidewalk. Newton plans to have additional weekend police actions on San Pedro in the very near future.

Proposed 2014 First Quarter Public Safety Activities

- Continue education information for property owners on their responsibilities for discouraging illegal activities by tenants on their premises, and to comply with clean sidewalk codes.
- Continue to act as liaison to direct homeless populations to service organizations.
- Address illegal vending and pet sales in the district.
- Increase the number of evening patrols (additional officers)

PUBLIC SPACE CLEAN PROGRAMS

The Fashion District BID clean programs deal with improving the public environment by providing graffiti removal, sidewalk and alley cleaning, street trash removal, tree trimming, weeding and poster removal.

Illegal Dumping on the Rise

On Tuesday December 31, 2013 the BID received a report of illegal dumping at the entrance of the alley located on 12th Street between Maple and Wall. The Clean Team received complaints from several merchants who said the illegal dumping was caused by store owners, hotdogs cart vendors and fruit illegal vendors. Owners and merchants were asked to report incidents of illegal dumping to the Field Office immediately at 213-741-2661 any time day or night.

Clean Team on the Job

Removing posters and stickers from public electrical poles and traffic light poles are all in a day's work for the LA Fashion District BID Clean Team. Every task is focused on maintaining the district's public environment for owners, merchants, and shoppers.

BID at Work – Removing Graffiti Is Part of BID Clean Team Services

Field Supervisor Elmer Pacheco saw a problem when he couldn't see the 10 Freeway sign on Pico Blvd. Elmer removed the stickers from the sign to clear the way for drivers. Graffiti removal is a big job in the LA Fashion District. Over 5,000 graffiti tags have been removed throughout the district during the first 6 months of 2013.

Street Flooding Prevented by BID Clean Team

After the rain on November 15th, the Clean Team immediately got back into action. Every time it rains, trash accumulates in the drains. The Clean Team removes the trash from the drains to keep water flowing into the drain and prevent flooding into streets and storefronts

Graffiti Removal

2013 Fourth Quarter graffiti removal records show an increase compared to 2012.

| <u>Graffiti Removal – 4th Quarter</u> | 2013 | 2012 |
|---------------------------------------|-------------|-------------|
| October | 1,202 | 282 |
| November | 876 | 876 |
| December | 1,204 | 757 |
| Total | 3,282 | 1,915 |

Trash Tonnage

In the Fashion District, Trash Tonnage has always served as a leading economic indicator. For example, when Lehman Brothers filed for bankruptcy in 2008, trash tonnage in the district fell by 18%.

| <u>Trash Tonnage– 4th Quarter</u> | 2013 | 2012 |
|-----------------------------------|-------------|-------------|
| October | 173 | 169 |
| November | 182 | 176 |
| December | 196 | 196 |
| Total | 551 | 541 |

Sidewalk Cleaning

5,317,874 square feet of district sidewalks were cleaned during the Fourth Quarter using scrubbing and pressure washing equipment.

Proposed 2014 First Quarter Public Clean Activities

- Continue to work to educate property owners and merchants about appropriate trash collection procedures.

ADMINISTRATION, IMAGE & COMMUNICATIONS, SPECIAL PROJECTS ACTIVITY

| | | |
|---------------------------|------------------|----------------------------------|
| 2013 Annual Budget | \$594,400 | 15% of the Overall Budget |
|---------------------------|------------------|----------------------------------|

This portion of the annual Fashion District BID budget includes all Administration, Image & Communications, and Special Projects service programs. The remaining budget is allocated to City Fees, Depreciation, Uncollected Revenue, and the North and South Alley Overlays.

ADMINISTRATION PROGRAMS

GOVERNANCE

2013 Board Election Results

The 2013 Board Election Results were announced at the Board of Directors meeting on December 12, 2013. Five candidates were elected by property owners to serve three year terms on the BID Board of Directors beginning January 2014. The candidates are Jason Dibler, Jorge Flores, George Lintz, Brian Taban and John Van Den Akker. Congratulations!

ADVOCACY

Mayor Garcetti Makes First Downtown Appearance at the Orpheum Theater

Speaking to a full house at the Orpheum Theater on Broadway, Mayor Garcetti described his vision for how the city should operate. The Mayor focused on finishing the subway system and having effective management at local utilities. LA Fashion District BID Board Members Steve Hirsh, Jaime Lee, and Dan Bartholomew attended as did Ace Hotel's General Manager Jason Dibler and BID Executive Director Kent Smith.

Councilmember Jose Huizar Speaks at Home for Good

LA Fashion District BID Executive Director, Kent Smith attended a Home for Good meeting on Thursday, October 24, where Councilmember Jose Huizar spoke about the role of the City in ending chronic homelessness in Los Angeles. Councilmember Huizar announced a new project coming to Downtown Los Angeles that will allow pedestrians to donate money to the homeless via "donation meters". The meters will accept coin, cash, and credit cards.

Home for Good is a joint initiative of United Way of Greater Los Angeles and the L.A. Chamber of Commerce. The campaign aims to end chronic homeless in Los Angeles by 2016.

Chronic Homelessness in Downtown Los Angeles

Kent Smith attended a meeting convened by CCA with representatives of the County's Departments of Public Health and Mental Health to discuss how we can improve the cleanliness of Skid Row and reduce the number of chronically homeless people there.

County Health is endeavoring to play a larger role in addressing the homeless population in downtown.

They have undertaken the following initiatives:

1. Embraced the coordinated entry system pioneered by Home For Good & United Way. This program is helping to quickly identify mentally ill homeless individuals no matter where they enter the system & to encourage find the services they need more easily. This includes a faster track to get these people housed. This is in response to the fact that less than 20% of the most vulnerable people in Skid Row were Department of Mental Health clients in the Project 50 program even though all of them were mentally ill. (all of those people are now housed & receiving services). County Mental Health realizes it needs to a better job of identifying the mentally ill homeless population.
2. They are coordinating programs with Veteran Affairs to better serve the growing number of homeless veterans in Skid Row
3. They have created a flexible housing subsidy pool to more easily get mentally ill clients housed in private as well as non-profit rental units.

While we are pleased with these initiatives there is much work to be accomplished: The reduction in shelter beds in South Los Angeles over the past two years has increased the number of chronically homeless individuals by 1000 people in downtown. The Fashion District has 135 encampments in its 100 blocks and the Downtown Center BID has 165 encampments in its 65 block district. There are still no sustained outreach programs for mentally ill chronically homeless individuals.

We are optimistic that new personnel at County Health including Dr Robin Kay Deputy Director of County Mental Health and Mark Trotz Director of Housing for Health, both recently hired from San Francisco are working hard to reduce the chronically homeless population in Downtown Los Angeles.

Smith is meeting Mark Trotz along with other Home For Good Task Force members every two weeks to orient him to the downtown community and help him design a permanent supportive housing project that will successfully address this issue. The project, while not in our district, will be an important component of County Health's strategy to reduce the number of chronically homeless living on Skid Row. We will provide more details as soon as they become publicly available.

CM Huizar Announces New City of L.A. Historic Commercial Reuse Guidelines

Councilmember Jose Huizar, District 14 is leading the effort to create City's new comprehensive Historic Commercial Reuse Guidelines designed to activate dormant historic buildings on Broadway and fill more than one million square feet of empty upper-floor space on the historic corridor.

The new guidelines offer a clear roadmap for developers and property owners with specific interpretations of the California Historic Building Code for use in the City of Los Angeles.

LA Streetcar Community Meeting

The Los Angeles Times reported on Tuesday, October 22, 2013 the latest findings about funding and construction concerns for the LA Streetcar.

On Monday, November 4, 2013 BID Board Member Steve Hirsh and Executive Director Kent Smith attended the information meeting on the LA Streetcar. Councilmember Jose Huizar opened the meeting to outline the progress that has been made to implement the project. This includes:

1. \$10 million from the CRA for the feasibility study, environmental work & preliminary engineering
2. \$1 million in Measure R funds for design
3. \$230 million in Measure R operational dollars to operate the streetcar for 30 years. This represents 37% of all Measure R operating funds for the entire City of Los Angeles
4. \$65 million in assessment dollars for streetcar construction.
5. The remainder of the funds will be obtained from federal & state grants as well as the possibility of private dollars through a public private partnership.
6. No City General Funds will be used for the project.

The Councilmember acknowledged that, while the original capital costs of the project had been estimated by consultants familiar with streetcar projects across the country, the estimate did not take into account inflation & all utility relocation costs. This will undoubtedly increase costs from the original \$125 million but the final cost estimate is not yet known.

A Utility Relocation expert has been hired to both map out utilities along the route (some utilities predate City records) and determine which utilities need to be moved. This work will be completed in the spring of 2014.

Shiraz Tangri, General Counsel for LA Streetcar Inc. showed slides from Portland where man hole covers were located in the middle of the tracks. He noted that unlike light rail, streetcar projects do not require all utilities to be relocated.

However, he acknowledged that utility relocations are governed by the California Public Utilities Commission (PUC) and currently there are no regulations for modern streetcars. Discussions with the PUC on this issue have yet to take place.

While not explicitly stated, the City of Los Angeles is now taking charge of construction of the streetcar project. The City's Department of Transportation (DOT) is playing the lead role. The City will take control of construction dollars (except for remaining CRA funds) including money raised by the Community Facilities District. LA Streetcar Inc will now have only an advisory role on the project.

DOT is planning to hire a Project Manager who will start in the first quarter of 2014. DOT has determined that the project is not yet ready to apply for federal funds until more information is available from preliminary engineering work and the completion of the environmental work (Spring 2014). DOT is not ready to give a completion date for the project.

At their meeting on December 12th the BID Board of Directors heard a presentation from representatives of LA Streetcar Inc. and the Los Angeles Department of Transportation (LADOT).

On December 18th Councilmember Huizar joined with LADOT, Bureau of Engineering (BOE), and the non-profit Los Angeles Streetcar Inc. (LASI) to announce that the City of Los Angeles has selected nationally renowned streetcar car experts URS as Project Manager for the Downtown L.A. Streetcar project. URS has a proven track record of working on some of the biggest streetcar projects in the nation. The Streetcar project is coming to fruition out of a public-private partnership project championed by Councilmember José Huizar's Bringing Back Broadway initiative.

Smith a Panelist on Homelessness Discussion at IDA Conference

BID Executive Director Kent Smith delivered a presentation on Homelessness and Economic Development at the International Downtown Association (IDA) conference in New York City in October. The well attended session focused on a topic that impacts cities across the country. Los Angeles Police Department (LAPD) Commander Jodi Wakefield contributed important statistics and the LAPD and BID partnership that was forged during her time as Central Division Captain. BID Board Member Hilda Jimenez attended the conference along with Staff Members Randall Tampa and Ariana Gomez.

Mayor's Office of Economic Development Visits the LA Fashion District

We met with Glyn Milburn, Office of Economic Development for LA Mayor Eric Garcetti to discuss the Fashion District and the exciting growth and development within its borders. Milburn sees the Fashion District as a part of the City that embodies everything great about Los Angeles; forward thinking, diversity, and creativity. However, he also sees where there can be improvement with transit, zoning, and amenities.

Milburn is looking at specific activities in the Fashion District to determine how his office can help augment and facilitate business and economic growth for the area.

Meeting with City Planning Department

We met with Community Planning Project Manager Nick Maricich on November 19, 2013 to talk about the Central City Community Plan, a development guide, and the status of the Fashion District Specific Plan/EIR. Maricich says that **re:code LA** consultants are looking to Planning for policy guidance to help untangle zoning and code issues. **re:code LA** is the first comprehensive update to the Los Angeles Zoning Code since 1946. This five year initiative aims to develop a modern and user-friendly Code in order to create livable communities, encourage sustainable development, and foster economic vitality. Publication of a Draft of the new Unified Downtown Development Code and web-based user interface will become available for public review in June 2014.

Update meetings for the current community plan are scheduled for mid-2014. Documents published by AECOM for the Fashion District Specific Plan are being incorporated into updating the current Community Plan. Maricich agrees that the Fashion District needs restructured zoning however launching work on a district wide Environmental Impact Report will not commence until more Planning staff are hired. BID staff will work to convene a meeting with Deputy Director Alan Bell to discuss priorities for planning in the LA Fashion District.

Save Our Streets LA

Councilmember Buscaino and Councilmember Englander are moving forward to place an estimated \$3 billion bond on the November 2014 ballot to improve the decades old street network in LA.

DLANC Appoints Fashion District Resident Board Member

Resident Dan Bartholomew volunteered to represent Fashion District residents on the Downtown LA Neighborhood Council (DLANC) Board of Directors. Dan has also served as a Member of the BID Board of Directors and several committees. The DLANC Board weighs in on important issues that impact downtown neighborhoods including planning, affordable housing, economic development, and arts/culture. BID staff member Lynn Myers is the DLANC Fashion District Business Representative.

Restaurant & Hospitality Expedite Program a Success

In response to requests the City of Los Angeles Department of Building and Safety (LADBS) launched the Restaurant and Hospitality Express Program (RHEP) in January of 2010. Since then 775 restaurants have taken advantage of the program – the majority of those are located in Hollywood, Melrose, and downtown LA. Any restaurant is eligible and permitting

times have been significantly reduced using the program.

The goal of RHEP is to make the permitting and inspection process more efficient, enabling new Food Service Establishments (FSE) to open on time and on budget.

Sidewalk Dining Pilot Program Update

The City of Los Angeles is developing a sidewalk dining pilot program in the Historic Core to encourage the legal activation of public spaces by allowing an expedited temporary permit for sidewalk dining and/or sidewalk beautification. While it is limited in geographical scope the Bureau of Engineering is hiring a full time staff member to process city-wide outdoor dining R-Permit requests.

New York Times on Los Angeles Street Vending

The New York Times published a story on December 4, 2013 about how the Los Angeles City Council is looking at ways to embrace street vending as a fact of life. Councilmember Jose Huizar, District 14, introduced the Council motion. New York, Dallas, and Seattle have already passed legislation in order to regulate street vending.

New Year's Race

The annual ½ marathon starts at 5 pm on Saturday, January 5, 2014. The route runs through the LA Fashion District from 7th Street to Los Angeles Street to 11th Street. The BID distributed notification flyers to merchants along the route.

Homewalk

LA Fashion District BID staff participated in United Way's charity 5k Homewalk on Saturday, November 23rd. BID Board Member Darlene Kuba was also in attendance. The event raises money to help end homelessness in Los Angeles.

ECONOMIC DEVELOPMENT

Proposed Downtown Interim Control Ordinance (ICO)

The City Council has instructed the Planning Department to expedite elements of the Downtown Community Plan and Downtown Zoning Code Revision which will encourage and incentivize high rise development and hotel uses. The City Attorney is preparing an 18-month interim control ordinance to prohibit construction of wood frame buildings around LA Live and Pershing Square, and the area between Venice Blvd, Olive St. and 7th Street while an incentive program is being developed.

At a recent meeting Council District 14, the Chief Legislative Analyst, Planning Department, and downtown business leaders, responded favorably to BID Executive Director Kent Smith's recommendation to make the incentive program available to all downtown property owners for developing hotels and high rise.

CVS Pharmacy CUP Application

On December 12, 2013, the BID Board of Directors agreed to support the proposed CVS Pharmacy request for a Conditional Use Permit for the sale of beer, wine, and distilled spirits for consumption off-site of the premises with the following recommended conditions:

- Alcohol sales limited to 7am to 10pm
- Installation of exterior surveillance cameras on both 7th Street and Spring Street
- Comply with all LAPD conditions
- CVS will have a Security guard on site at all times when the store is open

After 1 year there is a review to ensure that CVS is complying with the CUB conditions

Construction Streamlining

Councilman Huizar put forward a motion that would have the Department of City Planning expedite incentives that are being written into revisions of the Downtown Community Plan and Downtown Zoning Code. The incentives would smooth out the approval process for construction by streamlining entitlement processing and speeding up site plan reviews, among other aims. Additionally, it would pare down restrictions and requirements by reducing or eliminating parking regulations, density limitations for hotels and more.

Importance of Water for Future Development

The California Department of Water Resources recently announced changes to the Bay Delta Conservation Plan, a series of projects backed by Governor Brown to increase ecosystem restoration efforts and water supply reliability in the Sacramento-San Joaquin Valley. The changes primarily have focused less on the ecosystem side of the proposal and more on the water conveyance construction side. The Planning Report published an important interview with one of the developers that talks about the challenges we face when addressing the issue of the need for water in order to continue development.

As a representative of business leaders downtown BID Executive Director Kent Smith was invited by the Metropolitan Water District (MWD) to tour the Sacramento Delta to see first-hand the work that is going into this important project that will affect future development in Los Angeles.

Plans in the Works for Second Hotel in the Fashion District

The long shuttered Vogue Hotel at 820 S Spring Street is getting a new tenant. The Dart Hotel and Torre Restaurant is in the CUB permitting process and asked the LA Fashion District for support at their upcoming Public Hearing on November 19th. We submitted a support letter to the Zoning Administrator and testified at the public hearing.

The Dart Hotel plans show a 14 room boutique style hotel in two stories complimented by Torre Restaurant with a 10 seat bar and 75 seat dining room at street level. This is the first LA project for Tuck Ventures a strategic hospitality group, bringing European vision to southern California.

Star Apartments Welcoming New Residents

The new affordable housing project located at 240 E 6th Street in the LA Fashion District is unique in its use of prefabricated apartments — each unit was built off-site and trucked in, then attached to the building's superstructure.

Broadway Continues to Change...Urban Outfitters Now Open

Just in time for holiday shopping, Urban Outfitters opened the doors to their new 10,000 square foot store at 810 S Broadway. Love the refurbished Rialto Theatre neon sign! Another boutique fashion retailer, Acne Studios, recently opened in the Eastern Columbia Building.

CicLAvia Sponsorship

Coordinators of the popular street closure event asked for Fashion District sponsorship of the Heart of LA event scheduled for Sunday, October 6th. The route will enter the Fashion District on 7th Street, Spring Street and 9th Street. BID Board Members approved the free sponsorship.

Proposed 2014 First Quarter Administration/Advocacy/Economic Development Activities

- Continue to advocate for the Fashion District BID.

IMAGE AND COMMUNICATIONS

The LA Fashion District BID Image & Communications programs are developed to create a positive image for the District based on the positive changes that take place. Programs are designed to attract new investors and customers to the District as well as attract City investment to the District.

Pay it Forward LA

The LA Fashion District received national publicity for our "Random Acts of Kindness" holiday campaign. We were featured on the Today Show as part of a larger segment highlighting Random Acts of Kindness during the holiday season. The clip highlights the free parking and paid purchases happening in the district. Safe Team Officer Alonso did a fantastic job of representing the LA Fashion District on camera. The clip aired Sunday morning.

NBC responded to a press release put out the BID and shot the clip on Saturday afternoon. Our Public Information Coordinator, Ariana Gomez, responded to the request from NBC and arranged the filming for the show.

BIDLINES Newsletter

The 2013 4th Quarter Fall – Winter edition newsletter was mailed to all owners in the district in December 2013. See Attachments.

Website and Parking Apps Ready for October Apparel Markets

The International Textile Show launched a month long series of markets and events in the LA Fashion District. Market Week attracts national and international wholesale buyers to the California Market Center, The New Mart, Cooper Design Space, the Gerry Building, Lady Liberty Building and Academy Awards Clothes to purchase “California style” for their stores.

We updated the website wholesale lines directories and the free parking apps for Android and iPhone are now available to help buyers find parking, services, restaurants and stores throughout the LA Fashion District.

LA Fashion Market Week Spring 2014 took place October 14 – 17, 2013 at LA Fashion District showroom buildings. Los Angeles Men’s Market is made its debut on Monday, October 14 at the California Market Center, showcasing over 65 men’s apparel and accessories brands. Numerous tradeshow returned to LA Market, including SELECT Contemporary Tradeshow, TRANSIT Show, Brand Assembly, COEUR, and Designers & Agents.

Peking Tavern Opens

Another exciting culinary hotspot is added to 8th and Spring with the soft opening of Peking Tavern, located within the basement of the NCT Lofts building directly underneath the newly open restaurant Terroni.

CMC 50th Anniversary

The California Market Center celebrated its 50th Anniversary on Monday night with a reception for buyers and building tenants. Mayor Eric Garcetti, the keynote speaker for the event, spoke in support of LA’s Fashion Industry. The event also featured a fashion installation highlighting the evolution of trends over the decades. Congratulations CMC!

PUBLICITY

Ace Hotel

Ace Hotel, the first hotel in the LA Fashion District, is scheduled to open January 2014 in the old United Artists Theatre building on Broadway. The 13-story UA office building was designed by Walker & Eisen. Ace Hotel Group is known for converting and refurbishing landmark buildings in Seattle, New York City, and Palm Springs.

Alma's Chef the Most Exciting in Downtown

Alma Restaurant, located in the LA Fashion District at 952 S Broadway, is run by 28-year old Chef Ari Taymor, and already nationally famous for his personal brand of unique cuisine. The 39 seat restaurant has already been named the Best New Restaurant in America by Bon Appétit.

Now Taymor is going a step further. Alma shifted exclusively to serving tasting menus. It continues only to offer dinner — never lunch — on Tuesday through Saturday from 6-10 p.m. This means that people will have no idea what they will eat when they make a reservation (if indeed they can score one).

Petal Pushers

Popular website Pure Wow just cracked the code to some savings on holiday decor at a local institution—the Los Angeles Flower Market. Look like a pro and grab beautiful (and inexpensive) bounty. With how to tips and pointers they help visitors navigate the dizzying array of flowers for newbie and veteran shoppers.

Pure Wow is a national digital publication dedicated to finding ways to make life more interesting, beautiful and manageable.

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| 2013 Fourth Quarter Media Impression, Website Hit, Website Visitor, Social Media Activity |
|---|

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|--|-------------|-------------|
| <u>Website Hits</u> | 2013 | 2012 |
| October | 864,275 | 1,106,683 |
| November | 1,025,762 | 1,052,821 |
| December | 726,939 | 1,013,966 |
| Totals | 2,616,976 | 3,173,470 |
| <u>Website Visitors</u> | 2013 | 2012 |
| October | 37,115 | 43,941 |
| November | 43,230 | 40,102 |
| December | 32,538 | 38,888 |
| Totals | 112,883 | 122,931 |
| <u>Media Impressions</u> | 2013 | 2012 |
| October | 26,330,384 | 33,394,771 |
| November | 42,779,555 | 37,508,289 |
| December | 44,297,528 | 28,575,211 |
| Totals * | 113,407,467 | 99,478,271 |
| <u>Free Advertising Dollars</u> | | |
| <u>Leveraged</u> | 2013 | 2012 |
| October | \$253,640 | \$238,180 |
| November | \$146,684 | \$ 93,453 |
| December | \$329,787 | \$174,683 |
| Totals * | \$730,111 | \$505,683 |
| <u>Social Media – 4th Quarter Totals</u> | 2013 | 2012 |
| Facebook | | |
| o New Likes | 1347 | 3805 |
| Twitter | | |
| o New Followers | 395 | 392 |
| Blog | | |
| o Page Views | 27,160 | 20,160 |
| Instagram | | |
| o New Followers | 319 | 338 |
| Pinterest | | |
| o New Followers | 354 | 120 |

*To be forward when available.

Proposed 2014 First Quarter Image & Communications Activities

- Continue to refine social media features

SPECIAL PROJECTS

Community Meetings

On December 3, 2013 over 50 stakeholders attended two Community meetings to provide feedback on the Los Angeles Street Pedestrian Improvement Design Concepts and Creative Open Space – LA (COSLA) projects. BID Board Members, residents, and downtown community members discussed a myriad of topics that are important to improving the public environment.

BID Selected as Design Site by SWA Group

We met with SWA Group, internationally renowned landscape architectural firm that is working with the local community on a Streets for People project – a LA Department of Transportation program. SWA reached out to six different neighborhoods with the goal of selecting three neighborhoods to assist with a landscape design plan. We are delighted to announce that the 8th Street and San Pedro Street intersection in the LA Fashion District was one of the selected communities.

SWA Group recognized the potential in the site at 8th and San Pedro and for a plaza and property owner interest in making improvements for the Fashion District. Their work is pro bono and with a focus to help build support and partnerships for each of your projects until LADOT launches the program.

It's important to note that several property owners in the 8th and San Pedro neighborhood, including Mark Chatoff, Paul Mohilef, and Danny and Sharen Bekhrad, were the driving force that implemented median improvements at 8th and San Pedro. SWA will be coming back with drafts for our feedback in early 2014.

Proposed 2014 First Quarter Special Projects Activities

- Continue to work on the MTA 2 Streetscape design phase.
- Continue to work with property owners and SWA Group on designs for 8th & San Pedro median

ATTACHMENTS

BIDLines – Fourth Quarter Newsletter



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LA FASHION DISTRICT BID
Summary of Un-Audited Financial Information
For the 12 Months Ending on December 31, 2013

| | YTD Actual ¹ |
|-----------------------------------|-------------------------|
| ASSETS | |
| Total Current Assets | \$ 2,144,650 |
| Net Property and Equipment | 100,664 |
| Total Assets | <u>2,245,313</u> |
| LIABILITIES AND NET ASSETS | |
| Current Liabilities | 159,204 |
| Retained Earnings | 1,944,135 |
| Net Revenue / (Loss) YTD | 141,974 |
| Total Liabilities and Net Assets | <u>\$ 2,245,313</u> |

| | YTD Actual ¹ |
|---|-------------------------|
| BID REVENUES | |
| Assessments - Current Year | \$ 3,141,707 |
| Assessments - Collection of Prior Years' Unpaid | 69,671 |
| Assessments - Penalties, Interest | 52,385 |
| Other Revenue ² | 117,938 |
| BID Revenues (current year) Sub-Total | <u>3,381,701</u> |
| OVERLAYS | |
| North Santee Alley Overlay ³ | 288,360 |
| South Santee Alley Overlay (pass-thru) | 250,560 |
| Overlays Sub-Total | <u>538,920</u> |
| <u>TOTAL REVENUES</u> | <u>3,920,621</u> |

| | |
|---|------------------|
| BID EXPENSES | |
| Clean and Safe Programs | \$ 2,508,988 |
| Communication | 195,861 |
| Special Projects | 174,943 |
| Administration | 200,521 |
| City Fees, Depreciation, Bad Debt Allowance | 159,891 |
| BID Renewal | 41,219 |
| BID Expenses Sub-Total | <u>3,281,424</u> |

| | |
|---|----------------|
| OVERLAYS EXPENSES | |
| North Santee Alley Overlay ³ | 246,663 |
| South Santee Alley Overlay (pass-thru) | <u>250,560</u> |

| | |
|------------------------------|--------------------------|
| Overlays Expenses Sub-Total | 497,223 |
| <u>TOTAL EXPENSES</u> | <u>3,778,647</u> |
| NET REVENUE | <u>\$ 141,974</u> |

Note 1: On accrual basis: current year billed assessment revenue is equally accrued over the 12 months of the year

Note 2: YTD actual includes \$72,352 from South Santee Alley for providing Cleaning, Security Supervision, & Social Media Svcs

Note 3: For presentation purposes this figure includes these re-allocated costs: \$60k from Cleaning, \$6k from Safety and \$7.5k from Comm.